

BANKRUPTCY REPORT

Bankruptcy report number 13 of the Bankruptcy Trustees of
Lehman Brothers Treasury Co. B.V. ("LBT")

1 October 2012

The Bankruptcy Trustees communicate in two ways with holders of notes and certificates issued by LBT (jointly: "Noteholders"): (i) information the Bankruptcy Trustees are obliged to provide to Noteholders pursuant to the Dutch Bankruptcy Act, e.g. about the filing of claims, the date of creditors' meetings and any distribution, is also provided in "Notices to Noteholders". The Bankruptcy Trustees will also send these notices through the electronic communication channels of the clearing systems; (ii) information about the progress of the bankruptcy will be made public by the Bankruptcy Trustees by issuing public reports. Both the notices and the public reports are available on www.lehmanbrotherstreasury.com (the "LBT Website").

Key items:

- On 28 June 2012 and 25 July 2012 respectively, the Bankruptcy Trustees published the fourth and fifth batch of LBT Note valuations; on 27 September 2012 the final list of LBT Note Valuations was published; to date, one Manifest Error Notification was lodged with respect to the LBT Note Valuations published on the LBT Website; The Manifest Error Bar Date is set on **29 October 2012, 5pm CET**;
 - LBT intends to present a composition plan to its creditors. This composition plan will, subject to acceptance by creditors and confirmation by the Dutch court, bindingly establish the LBT Note Valuations and provide for the possibility of making distributions to Noteholders via the clearing systems;
 - On 1 October 2012, LBT received a second distribution of USD 1,076 billion from Lehman Brothers Holdings Inc. ("**LBHI**");
 - The Bankruptcy Trustees refer Noteholders to the website of LBHI (www.lehman-docket.com) for detailed information regarding LBHI and its affiliated U.S. debtors.
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Nothing in this report should be deemed or construed as an admission of liability or claims, or as a waiver of any rights, claims or defenses.

Company details	:	Lehman Brothers Treasury Co. B.V.
Bankruptcy number	:	08.0494-F
Date of court decision	:	(Provisional suspension of payments: 19 September 2008)
	:	Bankruptcy: 8 October 2008
Bankruptcy trustees	:	Rutger J. Schimmelpenninck and Frédéric Verhoeven
Supervisory judge	:	Ms. W.A.H. Melissen
Company activities	:	The objective of LBT in accordance with its articles of association was - briefly summarised - the financing of companies of the Lehman Brothers Group, by borrowing, lending and raising monies and participating in all kinds of financial transactions, including the issuance of financial instruments.
Period under review	:	21 April 2012 – 27 September 2012
Hours spent in period under review:		2,998.8
Hours spent - total	:	24,180.0

0. Preliminary comments

- 0.1 This is the thirteenth public report of the Bankruptcy Trustees. This report covers the period from 21 April 2012 through 27 September 2012; key information up to 1 October 2012 is also included. The Bankruptcy Trustees emphasise that all information in this report is subject to further investigation and may change significantly. This report should be read in conjunction with the previous reports. Definitions and abbreviations in this report are used in the same manner as in the previous reports (explicit reference is made to the list of definitions included in paragraph 6.9. of the tenth report).
- 0.2 The cross-border financial and legal aspects of the LBT bankruptcy are complicated. In this report, the Bankruptcy Trustees present the current state of affairs in a simplified manner in accordance with the guidelines for bankruptcy reporting applicable in the Netherlands.

1. Statement of affairs

1.1. Management and organisation

LBT was a wholly-owned subsidiary of Lehman Brothers UK Holdings (Delaware) Inc, an entity fully owned by LBHI, the holding company of the worldwide operating Lehman Brothers group of companies (the "**Lehman Brothers Group**"). The shareholder of LBT is Stichting Lehman Brothers Treasury Co. B.V. ("**Stichting**"). The board of the Stichting consists of the Bankruptcy Trustees and Mr H.P. de Haan (former auditor and bankruptcy trustee, current member of the supervisory board of ABN AMRO Bank N.V.).

1.2. Activities LBT

LBT was incorporated for the financing of the business activities of the Lehman Brothers Group by issuing financial instruments, in particular "**(structured) Notes**" to institutional and retail investors.

1.3. Financial information

1.3.1. *Global close*

The global close of the accounts of the Lehman Brothers Group as of 12 September 2008 COB (as described in paragraph 1.3 of the first report) was finalised in January 2009. The Bankruptcy Trustees refer to the previous reports with respect to the global close. The global close balance sheet of LBT is available on the LBT Website.

1.3.2. *Swaps*

The Bankruptcy Trustees refer to the previous reports, and specifically to the overview on page 7 of the third report as well as to paragraph 1.3.3 of the sixth report.

In the past reporting period, the Bankruptcy Trustees and their advisors continued the discussions with the official representatives of Lehman Brothers Finance S.A. ("**LBF**") with respect to the swap claim filed by LBF. The aim is to consensually agree on the valuation of LBF's claim against LBT. The expectation expressed in the previous report as to the timing of this process has to be adjusted. The Bankruptcy Trustees and LBF are working towards finalisation of the valuation of LBF's claim. Meetings in Zürich have taken place and are scheduled in the coming months.

1.4 Lehman Brothers cross-border insolvency protocol

A protocol meeting was held in New York on 27 June 2012. At this meeting an update was given to the attendees by the U.S. Debtors and several bi-lateral meetings took place. A next protocol meeting is tentatively scheduled to take place in October 2012 in London.

2. **Assets**

2.1. Estate accounts

The balance of LBT's (USD and EUR) estate accounts as of 27 September 2012, amounted to EUR 48,920,127.44.

2.2. Cash-management

On 1 October 2012, LBT received its second distribution of 3,115203% on its allowed intercompany claim against LBHI (USD 1,076,240,312) from LBHI.

Pursuant to the investment policy set out in the previous report, the Bankruptcy Trustees will invest these funds in U.S. Treasury Bills.

3. **Debtors**

3.1. U.S. Debtors

The Bankruptcy Trustees refer to the previous reports and to the Settlement Agreement executed with the U.S. Debtors (Annex 1 to the tenth report and available on the LBT Website).

3.2. Lehman Brothers international (Europe) (in administration) ("LBIE")

The joined administrators of LBIE advanced the bar date with respect to filing of claims from 31 December 2012 to 31 July 2012. The Bankruptcy Trustees have timely filed several claims held by LBT against LBIE. The claims filed amount to GBP 2,723,602.19. The Bankruptcy Trustees express no opinion as to the acceptance of these claims by LBIE and continue to have discussions with LBIE on this subject.

4. **Bank / Security rights**

4.1. Claim from bank(s)

See previous reports.

5. Lawfulness

5.1. Investigation

Reference is made to paragraph 5.1. of the twelfth public report. The Bankruptcy Trustees are currently investigating the causes that have led to the bankruptcy of LBT. In this investigation the fulfilment of the respective duties of the board of directors and the accountant is included. In the period covered by this report, the Bankruptcy Trustees had several meetings with the (previous) directors of LBT and expect to publish their findings later this year.

6. Creditors

6.1. Note valuations

Reference is made to paragraph 6.1. of the twelfth report. On 28 June 2012 and 25 July 2012 respectively, the Bankruptcy Trustees published the fourth and fifth batch of LBT Note Valuations on the LBT Website. On 27 September 2012, the final list containing all LBT Note Valuations was published. Noteholders are advised to always consult the final list of valuations. On 28 September 2012, the Bankruptcy Trustees issued a notice through the various communication channels of the ICSDs informing the broker/dealers that hold an account with the ICSDs of the publication of the final list of LBT Note Valuations.

As set out in paragraph 6.8. of the tenth report, Noteholders are – under the conditions specified therein and solely with respect to their holdings – entitled to request the Bankruptcy Trustees to reconsider a published LBT Note Valuation via a Manifest Error Notice. **The Manifest Error Bar Date is set on 29 October 2012, 5pm CET.** To date, one Manifest Error Notice was received.

6.2. Way forward / composition plan

Reference is made to paragraph 6.2. of the twelfth report. Any expectation expressed in this paragraph on timing related to the admission of LBT Note Valuations and other claims in the bankruptcy, is subject to – *inter alia* – any work related to any Manifest Error Notifications as well as the complexities related to the implementation of a composition plan by LBT ("*faillissementsakkoord*", the "**LBT Composition Plan**"). As mentioned in the twelfth report, LBT intends to present such plan to all its ordinary non-preferred creditors ("**Ordinary Creditors**") for a vote. The LBT Composition Plan will also provide for the allowance of claims that do not arise from Notes.

The LBT Composition Plan will be addressed to the institutions (participants)

that hold accounts with an ICSD as owners of a particular nominal amount of Notes ("**Accountholders**") and other creditors holding an unsecured non-preferred claim that does not arise from Notes.

Upon expiration of the Manifest Error Bar Date (set at 29 October 2012, 5 pm CET) and after possible Manifest Error Notifications are assessed, the Bankruptcy Trustees will communicate the dates of the Claims Filing Date and the Claims Admission Meeting. Accountholders will be asked to file claims arising from Notes and to provide instructions to vote on the Composition Plan, in accordance with a consent solicitation process of which the solicitation requirements will be made available through the communication channels of the ICSDs at a later stage. Accountholders will be requested to reach out to Noteholders – via the relevant intermediaries – for instructions with respect to the claims filing and the voting on the LBT Composition Plan. In order for the Accountholders to have sufficient time to collect these instructions and communicate these to LBT's consent agent, a consent solicitation period of five to six weeks will be applied.

The (formal) voting on the LBT Composition Plan will take place at the Claims Admission Meeting. This Claims Admission Meeting is expected to take place in Q1 of 2013.

Further details with respect to the claims filing and the voting procedures will be communicated at a later stage via interim reports on the LBT Website and, to the extent applicable, through notices sent via the ICSDs.

6.3. Valuation Support Agreement

The Bankruptcy Trustees have concluded several Valuation Support Agreements ("**VSA**") with Noteholders. In such VSA support is given to the Valuation Principles, which principles were described in paragraph 6 of the tenth public report. At present, 26 (large) Noteholders have signed a VSA, which Noteholders represent on an aggregate basis at least USD 12,000,000,000 of nominal holdings of Notes.

6.4. Taiwan Taipei court proceedings

Reference is made to the previous reports. In the case against First Commercial Bank Ltd., ("**FCB**"), the High Court ruled on 4 May 2012 that the Taiwan courts do not have jurisdiction over the case. FCB filed an appeal against this decision on 14 May 2012. In its judgment of 17 July 2012, the Supreme Court decided to remand the case to another High Court for reconsideration. A hearing took place with the High Court on 20 August 2012. After the hearing, the High Court invited

both parties to submit further briefs. A next hearing has not been scheduled.

6.5. Extended Liens

Reference is made to the previous reports. The Bankruptcy Trustees' local counsels monitor and safeguard the position of LBT in relation to the 'Extended Liens' proceedings in London and Hong Kong. If needed, the Bankruptcy Trustees will take further action.

7. **Miscellaneous**

7.1. Timing

See paragraph 6.2.

7.2. Provision of information

This public report as well as the previous and next reports are and will be available on www.lehmanbrotherstreasury.com. The original Dutch version of this report will also be made available on this website. In the event of any difference between the Dutch version and the English translation, the Dutch text prevails.

Creditors who believe that they have a claim against LBT (other than claims arising under the Notes), are requested to submit those claims in writing, provided with underlying documents, to:

Houthoff Buruma
Attn. Niels J. Huurdeman
PO Box 75505
NL-1070 AM Amsterdam
the Netherlands

Creditors that are not yet included in the mailing list, can request to be included by sending an email to info.lbtreasurybv@houthoff.com. Creditors that are on the mailing list will receive a notification when a report is made available on the LBT Website.

Amsterdam, 1 October 2012

Rutger J. Schimmelpenninck
bankruptcy trustee

Frédéric Verhoeven
bankruptcy trustee