

Lehman Brothers Treasury Co. B.V. in liquidation: Distribution Agreement Disclosure

Lehman Brothers Treasury Co. B.V. in liquidation (“**LBT**”) has entered into a Distribution Agreement (the “**Agreement**”) with Lehman Brothers Holdings Inc. (“**LBHI**”), which serves as Plan Administrator (the “**LBHI Plan Administrator**”) for itself, Lehman Brothers Special Financing Inc. (“**LBSF**”) and Lehman Brothers Commodity Services Inc. (“**LBCS**”). The Agreement is available on the LBT Website (www.lehmanbrotherstresury.com).

The Agreement is intended to accelerate distributions to creditors from the parties’ respective estates, thereby increasing, on any given interim distribution date, the amount of distributions that would otherwise have been paid to creditors had the Agreement not been effective on such interim distribution date.

LBT is one of LBHI’s single largest creditors, holding a USD 34.548 billion Class 4A Senior Affiliate Claim against LBHI (the “**LBT Intercompany Claim**”). Under LBT’s Composition Plan (the “**Composition Plan**”), LBT distributes the amounts that it receives on account of the LBT Intercompany Claim to LBT’s Ordinary Creditors (as defined in and subject to the Composition Plan). Those Ordinary Creditors include: (a) LBHI, which holds a USD 3.275 billion claim against LBT as assignee of Lehman Brothers Finance AG, (ii) LBSF, which holds a USD 1.023 billion claim against LBT and (iii) LBCS, which holds a USD 43.5 million claim against LBT. As a result of these claims, a portion of the distributions that LBT receives from LBHI on account of the LBT Intercompany Claim is ultimately redistributed to LBHI, LBSF and LBCS as Ordinary Creditors of LBT, who, in turn, make distributions to their respective creditors on their next semi-annual distribution dates.

In order to minimize the delays in distributions caused by this circularity, the Agreement provides that, on each LBHI distribution date, the Plan Administrator will withhold from the distribution to be made by LBHI to LBT on account of the LBT Intercompany Claim, an amount equal to 90% of LBHI’s, LBSF’s and LBCS’s respective expected shares in the resulting LBT distribution (the “**Withheld Amounts**”) as Ordinary Creditors of LBT, and include those Withheld Amounts in LBHI’s, LBSF’s and LBCS’s distributions on such distribution date.

On the LBT Distribution Date (as defined and provided for in the Composition Plan) that follows the LBHI distribution date, LBT will distribute to LBHI, LBSF and LBCS an amount equal to the difference between: (i) the amount that each would otherwise have been entitled to receive had the Withheld Amounts not been withheld, and (ii) the Withheld Amounts plus the amount of interest that LBT would have earned on the Withheld Amounts during the period between the relevant LBHI distribution date and the following LBT distribution date at a rate equal to the rate that LBT actually earned, if any, on the distributions it actually received from LBHI on the LBHI distribution date.

Any party can terminate the Agreement at any time on twenty-four (24) days’ notice.

LBT believes that this Agreement is in the best interests of LBT’s creditors as it will accelerate each of the parties’ distributions to their respective creditors.

Amsterdam, April 15, 2014