

THE HONOURABLE MR JUSTICE HILDYARD

9 MAY 2018

**IN THE MATTER OF LEHMAN BROTHERS INTERNATIONAL (EUROPE) (IN
ADMINISTRATION)**

AND IN THE MATTER OF THE COMPANIES ACT 2006

[DRAFT] ORDER

UPON THE APPLICATION by Part 8 claim form dated 2 May 2018 (the “**Claim Form**”) by the joint administrators of Lehman Brothers International (Europe) (In Administration) (the “**Company**”) (the “**Administrators**”)

AND UPON HEARING William Trower QC for the Administrators, David Allison QC for Wentworth Sons Sub-Debt S.à r.l. and Peter Arden QC for LB Holdings Intermediate 2 Limited (in administration)

AND UPON READING the Claim Form and the First Witness Statement of Russell Downs dated 2 May 2018

AND UPON the Court adopting in this order, save where terms are otherwise expressly defined, the definitions contained in the proposed scheme of arrangement promulgated by the Administrators on behalf of the Company pursuant to Part 26 of the Companies Act 2006 (the “**Scheme**”) and the draft explanatory statement to be made in relation to the Scheme pursuant to section 897 of the Companies Act 2006 (the “**Explanatory Statement**”)

AND UPON the Company having appointed Russell Downs to act as the foreign representative (“**Foreign Representative**”) in respect of the Scheme in any case under Chapter 15 of the U.S. Bankruptcy Code (“**Chapter 15 Case**”) to obtain recognition of the Scheme as a foreign main proceeding

IT IS ORDERED AND DIRECTED THAT:

1. The Company is at liberty to convene four meetings of its Scheme Creditors (the “**Scheme Meetings**”) for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme proposed to be made between the Company and the Scheme Creditors. Of these Scheme Meetings:
 - (a) the first Scheme Meeting shall be for 8% Creditors and Specified Interest Creditors (who are not members of the SCG) in relation to their 8% Claims and Specified Interest Claims respectively (“**Scheme Meeting 1**”);

- (b) the second Scheme Meeting shall be for those Higher Rate Creditors (who are not members of the SCG) in relation to their Higher Rate Claims ("**Scheme Meeting 2**");
 - (c) the third Scheme Meeting shall be for those Scheme Creditors who are members of the SCG ("**Scheme Meeting 3**"); and
 - (d) the fourth Scheme Meeting shall be for the Subordinated Creditor in relation to the Subordinated Debt ("**Scheme Meeting 4**").
2. Scheme Meeting 1 shall commence at 10.00 a.m. on 5 June 2018 (or such later time or date as the Administrators may decide).
 3. Scheme Meeting 2 shall commence immediately after Scheme Meeting 1 concludes.
 4. Scheme Meeting 3 shall commence immediately after Scheme Meeting 2 concludes.
 5. Scheme Meeting 4 shall commence immediately after Scheme Meeting 3 concludes.
 6. The Scheme Meetings shall be held at [●] (or if such venue is not available, such other suitable venue in London as the Administrators may select).
 7. By [10 May 2018]:
 - (a) a notice convening the Scheme Meetings and enclosing copies of the Scheme and the Explanatory Statement, each substantially in the form filed (subject to completion of blanks and minor modifications as advised by solicitors and counsel to the Company), shall be provided to all persons whom the Administrators believe are or may be Scheme Creditors by:
 - (i) sending such documentation to such parties by email or post (to the extent that the Administrators hold such contact details);
 - (ii) making such documentation available to Scheme Creditors with Admitted Claims via a secure internet portal operated by PricewaterhouseCoopers LLP (the "**Portal**"); and
 - (iii) publishing copies of such documentation on the Company's website;
 - (b) certificates showing the allocation of voting rights, together with electronic forms of proxy, shall be provided to Scheme Creditors with Admitted Claims via the Portal; and
 - (c) letters showing the voting rights they have been allocated by the Administrators, together with hard copy forms of proxy, shall be provided to Scheme Creditors with Undetermined Provable Claims.
 8. The Scheme and the Explanatory Statement shall:
 - (a) be available for inspection at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ during usual business hours on business days; and
 - (b) be provided in hardcopy free of charge to any Scheme Creditor upon request, until the date of the Scheme Meetings, in the form or substantially in the form of the drafts of the same contained in the exhibits to the First Witness Statement of Russell Downs and initialled by the Court for the purposes of identification.

9. The accidental omission to serve any Scheme Creditor with notice of the Scheme Meetings, or the non-receipt of such notice by any Scheme Creditor, shall not invalidate the outcome of the Scheme Meetings.
10. In the case of claims in respect of which a proof of debt has not been submitted by 10 May 2018, provided that the Scheme Creditor concerned submits a proof of debt by 5.00 pm on 24 May 2018, the Company shall provide the documentation referred to at paragraph 7(c) above as soon as reasonably practicable.
11. The chairman of the Scheme Meetings shall be responsible for, and have discretion to determine, in accordance with the relevant provisions in the Explanatory Statement, the entitlement of and value for which any Scheme Creditor is permitted to vote at the Scheme Meetings.
12. By 5.00 pm on 24 May 2018, in accordance with the relevant provisions in the Explanatory Statement, Scheme Creditors who hold more than one Admitted Claim but do not control all such claims may request that the Administrators split their voting rights so that their votes may be cast in accordance with the instructions of those persons that do control the claims.
13. By 5.00 pm on 24 May 2018, in accordance with the relevant provisions in the Explanatory Statement, Higher Rate Creditors who consider that they are entitled to statutory interest at a rate greater than 8% simple may request voting rights greater than those set out in the documentation provided to them pursuant to paragraphs 7(b) and 7(c) of this Order by notifying the Company of the rate(s) of interest that they consider to apply to their claims and the amount of interest they claim is payable to them based on such rate(s).
14. In order to vote on the Scheme, a Scheme Creditor must:
 - (a) attend the Scheme Meeting(s) at which it is entitled to vote (with the appropriate documentation as provided in the Explanatory Statement), and vote in person;
 - (b) by 5.00 pm on 4 June 2018, submit a completed form of proxy:
 - (i) in respect of electronic forms of proxy, via the Portal; and
 - (ii) in respect of hard copy forms of proxy:
 - a. by email to schemequeries@lbia-eu.com; or
 - b. by first-class post or air mail, addressed to Lehman Brothers International (Europe) (in administration), Level 23, 25 Canada Square, London E14 5LQ, for the attention of Rebecca Browne (with proof of receipt); or
 - (c) arrange for a hard copy form of proxy to be delivered by hand to the chairman at the Scheme Meeting(s) at which such Scheme Creditor is entitled to vote.
15. Russell Downs, or failing him another Administrator, shall act as chairman of the Scheme Meetings, and shall:
 - (a) oversee voting;
 - (b) have discretion (without prejudice to the generality of paragraph 15(d) below):

- (i) to accept the value of the claim in respect of which a Scheme Creditor seeks to vote, in whole or in part, notwithstanding failure by such Scheme Creditor to comply with the requirements contained in the form of proxy; and
 - (ii) to accept otherwise incomplete or late forms of proxy (but, for the avoidance of doubt, provided that the form of proxy is received before he closes the relevant Scheme Meeting);
- (c) be at liberty to rely on the electronic confirmations (in respect of electronic forms of proxy) or signatures (in respect of hard copy forms of proxy) as a warranty that the signatory (or person submitting such confirmation) has been duly authorised by the relevant Scheme Creditor;
 - (d) be responsible for, and have discretion to determine, in accordance with the relevant provisions in the Explanatory Statement, the entitlement of and value for which any Scheme Creditor is permitted to vote at the Scheme Meetings;
 - (e) be at liberty to permit the attendance of persons who are not otherwise entitled to attend and vote at the Scheme Meetings provided that such a person shall not be entitled to speak at the Scheme Meetings without the permission of the chairman and provided that no objection is received from a person entitled to attend the relevant Scheme Meeting;
 - (f) be at liberty to adjourn the Scheme Meetings provided that, if adjourned, the Scheme Meeting in question recommences as soon as reasonably practicable thereafter; and
 - (g) have permission to apply for such further directions as he may consider necessary or appropriate.
16. Prior to the hearing for any application for sanction of the Scheme, the chairman shall file with this Court a copy of a report on the Scheme Meetings and the voting at the Scheme Meetings.
17. If the Scheme is approved at each of the Scheme Meetings by the required statutory majorities, the Claim Form shall be restored and a further hearing at which the Administrators shall seek the Court's sanction of the Scheme shall be listed on or about 13 June 2018.
18. The Part 8 Claim Form be adjourned for further hearing.

AND IT IS DECLARED that:

- 1. Russell Downs has been validly appointed by the Administrators (on behalf of the Company) to act as the Company's Foreign Representative on any petition brought by the Company before the United States Bankruptcy Court for an order recognising the Scheme as a "foreign main proceeding" under Chapter 15 of the U.S. Bankruptcy Code and granting related relief.
- 2. The Foreign Representative has been authorised by the Company to take any and all actions to execute, deliver, certify, file and/or record and perform any and all documents, agreements, instruments, motions, affidavits, applications for approvals or rulings of governmental or regulatory authorities, or certificates, and to take any and all steps deemed by the Foreign Representative to be necessary or desirable to carry out the purpose and intent of the Scheme including, for the avoidance of doubt, filing any petition for recognition

of the Scheme, the enforcement of this order and the sanction order (if approved) and any other related relief under Chapter 15 of the U.S. Bankruptcy Code, to the extent required.

Service of the order

The Court has provided a sealed copy of this order to the serving party:
Linklaters LLP, One Silk Street, London EC2Y 8HQ

DATED this 9th day of May 2018