



TO ALL KNOWN CREDITORS OF LEHMAN COMMERCIAL MORTGAGE CONDUIT LIMITED

19 December 2014

Our ref: DAH/DMM/JSH

Dear Sirs

Lehman Commercial Mortgage Conduit Limited - In Administration ("LCMC")

Notice of Declaration of Dividend

I am pleased to be able to declare a third interim dividend of 4.63 pence in the pound to all non-preferential unsecured creditors whose claims have been admitted for dividend purposes.

In accordance with Rule 2.98 of the Insolvency Rules 1986 I enclose for your attention the receipts and payments account from the commencement of the Administration on 30 October 2008 to 2 December 2014. This provides details of the amounts realised from LCMC's assets to date and the payments made in the Administration.

In calculating this dividend, I have made a provision for anticipated future costs of the Administration.

The total amount being distributed by way of dividend in respect of admitted claims is £11,183,322.90.

If you have any queries please do not hesitate to contact my colleague, Jennifer Hills, on 020 7212 6092.

Yours faithfully
For and on behalf of LCMC

GE Bruce
Joint Administrator

Enclosure

AV Lomas, SA Pearson, DA Howell, GE Bruce and JG Parr were appointed as Joint Administrators of Lehman Commercial Mortgage Conduit Limited to manage its affairs, business and property as agents without personal liability. AV Lomas, SA Pearson, DA Howell, GE Bruce and JG Parr are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration.

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Appendix A

Lehman Commercial Mortgage Conduit Limited - in Administration Receipts & Payments Account to 2 December 2014

	As at 2 December 2014		Movements		As at 29 October 2014	
	GBP (£)	USD (\$)	GBP (£)	USD (\$)	GBP (£)	USD (\$)
Receipts						
Cash at bank on appointment	19,620,033	-	5,541,990	-	14,078,043	-
Residual Interests - Diversity	26,097,872	-	-	-	26,097,872	-
Recoveries on loan portfolio and other assets	135,408,731	-	-	-	135,408,731	-
Sale of tax losses	234,476	-	-	-	234,476	-
Distributions received from: Lehman Brothers Holdings, Inc	-	2,047,308	-	-	-	2,047,308
Lehman Commercial Paper, Inc	-	60,522,438	-	-	-	60,522,438
Net tax function costs recharged	-	-	-	-	-	-
Bank interest	1,340	-	-	-	1,340	-
Contribution towards legal costs	2,092,792	-	4,529	-	2,088,263	-
Refund of overpayment on distribution	373,188	-	-	-	373,188	-
Third party funds	239,455	-	239,455	-	-	-
	10,119	-	13	-	10,106	-
Total Receipts	184,078,006	62,569,746	5,785,987	-	178,292,019	62,569,746
Payments						
Joint Administrators' remuneration	2,389,501	-	-	-	2,389,501	-
Joint Administrators' category 1 disbursements	13,393	-	-	-	13,393	-
Loan portfolio servicing fees	604,493	-	-	-	604,493	-
Pension related legal costs	25,570	-	-	-	25,570	-
Legal fees and disbursements	2,367,932	-	214,065	-	2,153,867	-
Employee costs	2,183,088	-	24,767	-	2,158,321	-
IT costs	5,741	-	-	-	5,741	-
Statutory costs	10,795	-	-	-	10,795	-
Corporation tax paid	2,936,749	-	519,015	-	2,417,734	-
Bank charges	697	392	-	-	697	392
Insurance	17,043	-	-	-	17,043	-
Release of funds	121,000	-	-	-	121,000	-
Net irrecoverable VAT (see note 1)	1,095,478	-	43,346	-	1,052,132	-
Total Payments	11,771,480	392	801,193	-	10,970,287	392
Intracompany transfer	-	-	-	-	-	-
Payment	-	(62,568,354)	-	-	-	(62,568,354)
Receipt	39,142,064	-	-	-	39,142,064	-
Net position	211,448,590	1,000	4,984,794	-	206,463,796	1,000
Distributions						
1st dividend to unsecured creditors at 45p in the £, declared in September 2013	108,838,719	-	-	-	108,838,719	-
2nd dividend to unsecured creditors at 29.05p in the £, declared in September 2014	70,261,440	-	-	-	70,261,440	-
Net position	32,348,431	1,000	4,984,794	-	27,363,637	1,000
Cash balances						
HSBC (Non-interest bearing)	1,180,470	1000	665,265	-	515,205	1000
Money market deposits	31,167,961	-	4,319,529	-	26,848,432	-
Total Cash	32,348,431	1,000	4,984,794	-	27,363,637	1,000



Lehman Commercial Mortgage Conduit Limited - In Administration ("LCMC")

Notice accompanying the third interim dividend to creditors

Joint Administrators' receipts and payments from the commencement of the Administration on 30 October 2008 to 2 December 2014 is attached at Appendix A.

Further information pursuant to Rule 2.98 of the Insolvency Rules 1986

The third dividend to unsecured creditors of 4.63p in the pound has been declared.

A total of **£11,183,322.90** is being paid by way of dividend. There is no prescribed part, as there is no floating charge.

The balance of funds being retained in order to provide for future Administration costs.

Payment will be made by a bank transfer on 19 December 2014. The Joint Administrators are unable to estimate the likely timing or quantum of any future dividends.