

IN THE HIGH COURT OF JUSTICE

No. 7942 of 2008

CHANCERY DIVISION

COMPANIES COURT

Before the Honourable Mr Justice Briggs
Wednesday the 20th day of January 2010



IN THE MATTER OF LEHMAN BROTHERS INTERNATIONAL (EUROPE) (in administration)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

BETWEEN:

LEHMAN BROTHERS INTERNATIONAL (EUROPE) (in administration)

- and -

1. CRC CREDIT FUND LIMITED
2. CLAREN ROAD CREDIT MASTER FUND LIMITED
3. LEHMAN BROTHERS INC.
4. LEHMAN BROTHERS FINANCE AG
5. GLG INVESTMENTS PLC: SUB-FUND GLG EUROPEAN EQUITY FUND
6. GOLDMAN SACHS GSIP MASTER COMPANY (IRELAND) LIMITED
7. PARAGON CAPITAL MANAGEMENT FUND LIMITED
8. HONG LEONG BANK BERHAD
9. LEHMAN BROTHERS HOLDINGS INC.

ORDER

UPON THE HEARING OF THE APPLICATION of Anthony Victor Lomas, Steven Anthony Pearson, Michael John Andrew Jervis and Dan Yoram Schwarzmann of PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT (the "**Administrators**"), the Administrators of Lehman Brothers International (Europe) (in administration) ("**LBIE**") by Ordinary Application dated 1 May 2009 (the "**Application**") made pursuant to paragraph 63 of Schedule B1 to the Insolvency Act 1986 and heard between 9 and 24 November 2009

AND UPON READING the written submissions filed pursuant to paragraph 12 of the Order of 15 December 2009 by the Administrators, GLG, Paragon and HLBB

IT IS ORDERED that:

1. For the purposes of this Order, the following defined terms shall bear the following meanings:

Administrators	Steven Anthony Pearson, Anthony Victor Lomas, Michael John Andrew Jarvis and Dan Yoram Schwarzmann, each of PricewaterhouseCoopers LLP; appointed by the order of Mr Justice Henderson
Depot Break	A shortfall (or perceived shortfall) in particular securities which LBIE should have been holding for a client or clients
FSA	Financial Services Authority
Further Issues, the	The issues raised in paragraph 11 of the Order of 15 December 2009
GLG	GLG Investments plc: sub-fund GLG European Equity Fund
HLBB	Hong Leong Bank Berhad
LBIE	Lehman Brothers International (Europe) (in administration)
Paragon	Paragon Capital Management Fund Limited
Point of Last Segregation, or PLS	Close of business on 11 September 2008, being the time at which the figures used in the last reconciliation and segregation exercise in respect of client money carried out by LBIE prior to the appointment of the Administrators were taken.
Primary Pooling Event or PPE	7.56am on 15.09.08

AND IT IS DIRECTED AND DECLARED that:

2. The directions of the Court on the Further Issues are set out in the Schedule to this Order.

Service of this Order

3. By 4.30pm on 22 January 2010 the Administrators do make a copy of this Order available on the Lehman section of the PricewaterhouseCoopers LLP website (http://www.pwc.co.uk/eng/issues/lehman_updates.html).

MB

ScheduleDepot breaks

Q: Where LBIE had, at the PPE, segregated client money in its segregated client money accounts in respect of a Depot Break or Depot Breaks on a stock line basis and it is possible to identify from LBIE's books and records (and/or from information provided by the relevant client(s)) client(s) whom LBIE intended to protect by segregating that client money, is the client money entitlement of those clients calculated by reference to an appropriate portion of the amount segregated, even though LBIE had not at the time of segregation specifically identified the particular clients for whom that client money was held?

A: Yes

Q: If so, is the relevant client's client money entitlement reduced or extinguished upon the securities in question (or part thereof) being delivered to the client?

A: Yes

Unapplied credits

Q: Do clients for whom client money was paid to LBIE (whether by the clients themselves or by a third party on their behalf):

(i) in the three business days ending at the PLS, which client money was not specifically segregated by LBIE, have client money entitlements to the extent that LBIE is able to allocate to those clients an appropriate portion of the amount which LBIE had segregated as at the PPE by way of buffer in respect of unapplied credits?

A: Yes

(ii) more than three business days prior to the PLS, which client money was segregated by LBIE as an unapplied credit, have client money entitlements to the extent that LBIE is able now to identify the clients to whom those credits relate?

A: Yes

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