

[On letterhead of LBNL]

**IMPORTANT INFORMATION**

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. LEHMAN BROTHERS INTERNATIONAL (EUROPE) (IN ADMINISTRATION) (“LBIE”) HAS DETERMINED THAT YOU ARE AN ELIGIBLE CREDITOR FOR THE PURPOSES OF THE LBIE ADMITTED CLAIMS AUCTION.**

**YOU ARE BEING OFFERED, BY LEHMAN BROTHERS NOMINEES LIMITED, AN OPPORTUNITY TO PARTICIPATE IN THE LBIE ADMITTED CLAIMS AUCTION, DESIGNED TO ENABLE YOU TO SELL YOUR ELIGIBLE ADMITTED CLAIM AND COMPLETELY EXIT FROM THE LBIE ADMINISTRATION IN RELATION TO YOUR ELIGIBLE ADMITTED CLAIM.**

**IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED YOUR ELIGIBLE ADMITTED CLAIM AND/OR ANY OF YOUR RIGHTS, INTERESTS AND ENTITLEMENTS AGAINST LBIE IN RESPECT OF YOUR ELIGIBLE ADMITTED CLAIM, PLEASE CONTACT THE JOINT ADMINISTRATORS AS SOON AS POSSIBLE BY EMAILING [claimsdeed@lbia-eu.com](mailto:claimsdeed@lbia-eu.com).**

**IF YOU ARE UNSURE ABOUT THE CONTENTS OF THIS LETTER, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.**

To: [xyz]  
[Address]

4 April 2016

Dear Sirs

**LBIE Admitted Claims Auction**

**[xyz] (the “Legal Entity”)**

**GAC no. [xyz]**

**[123\_C\_1] (the “Eligible Agreement”)**

**Claim Pool: [xyz]**

**Reserve Price: [xyz]**

**Reserve Price less one percentage point: [xyz]**

**Identified Eligible Admitted Claim Value: GBP [xyz] (the “Identified Eligible Admitted Claim Value”)**

**Minimum Purchase Price: GBP [xyz] (the “Minimum Purchase Price”)**

**1 Introduction**

**1.1** Further to the announcement made on PwC’s LBIE Website on 4 April 2016 concerning the LBIE admitted claims auction (or LACA), we (Lehman Brothers Nominees Limited (“LBNL”)) are writing to confirm your inclusion as an Eligible Creditor and your entitlement to participate in the LACA.

**1.2** Unless stated otherwise, defined terms used in this offer letter have the meanings given to them in the LACA terms and conditions accompanying this offer letter and available on the LBIE Surplus Portal (the “**Terms and Conditions**”).

**1.3** This offer letter is the Offer of Participation described in the Terms and Conditions.

## **2 The offer**

**2.1** LBNL are offering the Legal Entity the option to participate in the LACA on and subject to the terms of the Contractual Documents, pursuant to which the Legal Entity will, among other things:

**2.1.1** on the Acceptance Deadline, agree to the disclosure by LBIE of information (including any notices) relating to the Identified Eligible Admitted Claim to LBNL and/or any potential third party purchasers who have entered into a suitable confidentiality agreement (as determined by LBIE in its sole discretion) with LBIE, such information being derived from one or more of the Legal Entity's Unsecured Claim Certificate, Eligible Agreement, Creditor Agreement(s) and any other information held by LBIE;

**2.1.2** on the Acceptance Deadline, agree to the Identified Eligible Admitted Claim being included in the Claim Pool identified above (and more particularly described in the Terms and Conditions) and marketed, for the purposes of the Auction, by LBIE, to potential third party purchasers;

**2.1.3** at the Transfer Time, sell, convey, transfer and assign the Legal Entity's rights, title and interests in, to and under, or arising out of, in connection with and/or related to the Assigned Rights to LBNL on and subject to the Terms and Conditions, in consideration for the right to receive payment of the Purchase Price; and

**2.1.4** at the Transfer Time, provide a full release to the Relevant Persons in respect of the Assigned Rights and the Legal Entity's participation in the LACA.

**2.2** The Purchase Price will be determined pursuant to the Auction and in accordance with the Terms and Conditions.

**2.3** The Minimum Purchase Price set out above has been calculated pursuant to the methodology for calculating the Purchase Price (as set out in the Terms and Conditions), on the assumption that the Clearing Price is the Reserve Price, i.e.:

Identified Eligible Admitted Claim Value x (Reserve Price less one percentage point)

The Minimum Purchase Price therefore indicates the minimum amount (after deduction of the LACA Fee) you can expect to receive in respect of your sale of the Identified Eligible Admitted Claim pursuant to the LACA (subject to the Terms and Conditions).

## **3 Terms and Conditions**

The LACA is subject to and governed by the Terms and Conditions. LBNL will not accept any negotiation of, or amendment to, the Terms and Conditions or this offer letter.

## **4 Acceptance of the LBIE admitted claims auction**

**4.1** Should you decide to participate in the LACA and agree to be bound by the terms of the Contractual Documents in respect of the Identified Eligible Admitted Claim, a Primary User for the Legal Entity must accept the offer to participate in the LACA via the LBIE Surplus

Portal before 5 p.m. (London time) on 3 May 2016 (or such later date as is notified to Eligible Creditors by LBNL by email and announced on PwC's LBIE Website).

- 4.2** Payment of the Purchase Price to the Legal Entity will not be made unless and until (among other things) the Legal Entity's SSI for a bank account capable of receiving payments denominated in sterling have been confirmed, provided and/or updated (as applicable).

## **5 Completion**

- 5.1** Please note that:

- 5.1.1** Acceptance does not guarantee that the Identified Eligible Admitted Claim will be sold;
- 5.1.2** transfer of the Assigned Rights will occur at the Transfer Time but (subject to clause 8 (*Payment*) of the Terms and Conditions) Payment will not occur until on or after the Settlement Date; and
- 5.1.3** the sale of the Identified Eligible Admitted Claim is subject to a number of conditions as set out in the Terms and Conditions.

## **6 Termination**

At any time before the Bid Acceptance Date, LBNL may terminate the LACA in respect of one or more Claim Pools pursuant to clause 9 (*Termination*) of the Terms and Conditions. If the Termination Right is exercised by LBNL in respect of the Applicable Claim Pool, you will be notified of this by LBNL by email and on PwC's LBIE Website. The decision of LBNL in this regard shall be final and conclusive.

## **7 Payment arrangements**

Subject to clause 8 (*Payment*) of the Terms and Conditions, LBNL will pay, or procure the payment of, the Purchase Price to the bank account details contained in the Legal Entity's SSI.

## **8 No representation**

- 8.1** None of LBNL, LBIE or the Joint Administrators or their firm, or any of their respective members, partners, directors, officers, employees, agents, advisers or representatives, make any representation as to whether any payment made to, or amount received by, you pursuant to the LACA in relation to the Identified Eligible Admitted Claim will be the same, greater or less than any amount you would or may have otherwise received in respect of such Identified Eligible Admitted Claim had you not participated in the LACA, whether on the judicial or consensual resolution of the Proceedings or otherwise.
- 8.2** You agree and acknowledge that by participating in the LACA and receiving the Purchase Price pursuant to the LACA in consideration for the sale of the Assigned Rights, you transfer to LBNL any and all rights in respect of such Assigned Rights, including any rights to payment of statutory interest or amounts in respect of currency conversion claims.

## **9 Other information**

- 9.1** Further information on the LACA can be found in the FAQs contained in the LBIE Surplus Portal. Please note that the FAQs do not form part of the Contractual Documents and, in the event of any inconsistency between the FAQs and the Contractual Documents (or between the wording on the LBIE Surplus Portal and the Contractual Documents), the terms of the Contractual Documents shall prevail.
- 9.2** Should you have any questions regarding the LACA which are not dealt with in the FAQs, please email [lbl@lbia-eu.com](mailto:lbl@lbia-eu.com).

Yours faithfully

**[Signatory for LBNL]**