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October 4, 2011

**BY HAND**

The Honorable James M. Peck  
United States Bankruptcy Court  
Southern District of New York  
One Bowling Green  
New York, NY 10004-1408

Re: *In re Lehman Bros. Holdings Inc. et al.*, No. 08-13555 (Bankr. S.D.N.Y.)

Dear Judge Peck:

We represent JPMorgan Chase Bank, N.A. ("JPMorgan") in the above-captioned chapter 11 case and related litigation. As stated in our letter of September 30, 2011, we write with respect to a discovery dispute between Lehman Brothers Holdings Inc. ("LBHI"), Lehman Brothers Special Financing Inc. ("LBSF"), and other LBHI chapter 11 debtor-subidiaries (collectively, the "Debtors") and Nomura. We share Nomura's interest in ensuring that the Debtors provide the holders of derivatives claims to which the Debtors object with highly material and relevant information — uniquely in the possession of the Debtors — regarding the termination and close-out of derivatives transactions.

The Debtors have objected to Nomura's derivatives claims on the basis that, among others, Nomura's terminations and close-outs were not "commercially reasonable," as such term is used in the definition of "Close-out Amount" in the ISDA 2002 Master Agreement

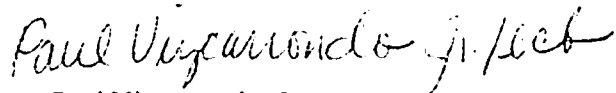
Hon. James M. Peck  
October 4, 2011  
Page 3

position. Without access to such information, the holders of disputed derivatives claims will be severely handicapped in responding to such an unbalanced attack by the Debtors.

Moreover, it is no answer for the Debtors to say that they will only produce the information if they intend to use it. All of this information is material, relevant and unique, and a decision by the Debtors not to use the information is a strong indicator that it undermines their position. In any event, the Debtors should not be the arbiters of the use of this information; regardless of whether or not they choose to use the information, JPMorgan and other claimants are entitled to examine it and determine whether they want to use it in opposing the Debtors' objections. It is certainly not a valid basis for the Debtors to withhold from the claimants material, relevant and unique information simply because the Debtors and their experts have determined that that information does not support the Debtors' arguments.

Accordingly, JPMorgan respectfully asks this Court to grant the relief that Nomura seeks regarding counterparties' derivatives terminations and close-outs. If the Court determines to schedule a hearing or conference on the matter, JPMorgan requests an opportunity to be heard.

Respectfully submitted,



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October 4, 2011

**BY MESSENGER AND FILED ON CM/EFC SYSTEM**

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The Honorable James M. Peck  
United States Bankruptcy Judge  
United States Bankruptcy Court  
One Bowling Green  
New York, New York 10004

*In re Lehman Brothers Holdings Inc., et al., Case. No. 08-13555*

Dear Judge Peck:

We represent Citibank, N.A. and related affiliates ("Citi") in the above-captioned chapter 11 cases. We write concerning the discovery dispute between Lehman Brothers Holdings Inc. ("LBHI"), Lehman Brothers Special Finance Inc., and other LBHI affiliates (collectively, the "Debtors") and Nomura International plc, Nomura Securities Co., Ltd., and Nomura Global Financial Products, Inc. (collectively, "Nomura"), as described in an exchange of letters publicly filed in the Debtors' chapter 11 cases on September 27, 28, and 29. [Chapter 11 D.I. 20306, 20348, 20380, 20498]

As explained in those filings, Nomura seeks discovery of information in the Debtors' possession concerning how other counterparties terminated and valued derivatives transactions with the Debtors. According to Nomura, Lehman has declined to produce the requested information, despite the relevance of that information to the Debtors' challenge to the commercial reasonableness of Nomura's derivatives valuations.

Citi has an interest in the outcome of this discovery dispute because it has filed derivatives claims against the Debtors with an aggregate value of approximately \$2 billion.

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The Honorable James M. Peck

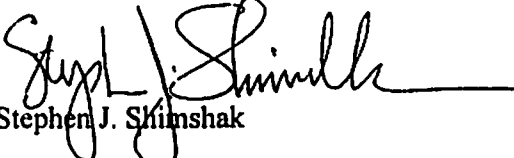
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Citi maintains that its derivatives valuations are commercially reasonable and has not agreed to settle its claims using valuations produced by the Debtors' "Derivatives Framework." Inasmuch as the Debtors have indicated their intention to challenge the derivatives claims of those "Big Banks" that have not accepted the "Derivatives Framework," Citi expects that the Debtors will likely challenge Citi's valuations in a future claims objection or adversary proceeding.

For the reasons set forth at pages 10-13 of Nomura's draft memorandum of law in support of its proposed motion to compel, Citi submits that the Debtors should be required to produce documents in the Debtors' possession reflecting how other counterparties terminated and valued derivatives similar to those that the Debtors challenge.

In light of the important precedent that a ruling on Nomura's motion to compel production may set, Citi respectfully requests the opportunity to present its views in any conference or hearing concerning this matter.

Respectfully submitted,



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