

**REMIC RESIDUAL INTEREST PURCHASE AND SALE AGREEMENT**

THIS REMIC RESIDUAL PURCHASE AND SALE AGREEMENT ("Agreement") effective as of March 31, 2010 (the "Effective Date") by and among James W. Giddens, as Trustee (the "Trustee," for the liquidation of Lehman Brothers Inc., a Delaware corporation ("LBI"), under the Securities Investor Protection Act of 1970, as amended ("SIPA"), Lehman Pass-Through Securities Inc., a corporation organized under the laws of the state of Delaware ("LPTSI"), Lehman Brothers Holdings Inc., a corporation organized under the laws of the state of Delaware ("LBHI," and together with LPTSI the "LBHI Entities", and collectively with the Trustee, the "Transferors," and each a "Transferor") and Citibank, N.A., a banking association organized under the laws of the United States (the "Transferee").

**WITNESSETH**

WHEREAS, beginning on September 15, 2008 and periodically thereafter, LBHI and certain of its subsidiaries (together with LBHI, the "Debtors") commenced voluntary cases with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") Case No. 08-13555 (JMP) (collectively, the "Chapter 11 Case") which currently are pending; and

WHEREAS, on September 19, 2008, a proceeding was commenced under SIPA with respect to LBI, and the Trustee was appointed to administer LBI's estate Case No. 08-01420 (JMP) (the "SIPA Proceeding"), which proceeding is currently pending before the Bankruptcy Court; and

WHEREAS, the LBHI Entities and LBI collectively beneficially own the Residual Interests (as hereinafter defined) in certain REMICs (as hereinafter defined) as described on Exhibit A hereto and as Exhibit A may be updated and delivered to Transferee pursuant to Section 5(i) herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Transferee and the Transferors agree as follows:

**SECTION 1. Definitions.**

(a) For purposes of this Agreement the following terms shall have the respective meanings set forth below.

"Allocable Portion" means, with respect to any Purchased Residual Interest (without regard to any updated version of Exhibit A pursuant to Section 5(i) for purposes of this definition), the dollar amount of the Inducement Payment allocated to such Purchased Residual Interest as set forth on Exhibit A.

"Business Day" means any day other than a Saturday, a Sunday or a day on which banking and savings and loan institutions in New York, New York are authorized or obligated by law or executive order to be closed.

"Code" means the Internal Revenue Code of 1986, as amended.

"Execution Date" means July ~~26~~<sup>27</sup> 2010.

"Final Order" shall mean an order(s) or judgment(s) of a court of competent jurisdiction that has not been reversed, vacated or stayed, and, unless waived by LBHI and the Trustee, as to which (i) the time to appeal, petition for *certiorari*, or move for a new trial, reargument, or rehearing has expired, and as to which no appeal, petition for *certiorari*, or other proceedings for a new trial, reargument or rehearing shall then be pending, or (ii) if an appeal, writ of *certiorari*, new trial, reargument, or rehearing thereof has been sought, such order(s) or judgment(s) of the court shall have been affirmed by the highest court to which such order(s) was appealed, or *certiorari* shall have been denied, or a new trial, reargument or rehearing shall have been denied or resulted in no modification of such order(s), and the time to take any further appeal, petition for *certiorari* or move for a new trial, reargument, or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule may be filed relating to such order(s) shall not cause such order(s) to not be a Final Order.

"Inducement Payment" means an aggregate amount equal to \$24,000,000.00.

"Inter-Estate Agreement" means the agreement dated as of July ~~26~~<sup>27</sup> 2010, as it may be amended from time to time, between LBHI and the Trustee.

"Knowledge of the Transferor" means the actual knowledge of, in the case of the LBHI Entities, Layne Albert on or after September 15, 2008 and Jeffry Ciongoli and, in the case of the Trustee, Andrew Braiterman on or after September 19, 2008.

"Legal Documents" mean, with respect to any Purchased Residual Interest (as hereinafter defined) and its Related REMIC (as hereinafter defined) the prospectus and prospectus supplement, or private placement memorandum, with respect thereto, and the pooling and servicing agreement or trust agreement or other operative documents governing the terms of the Purchased Residual Interest and Related REMIC.

"Lien" means any lien, pledge, charge, encumbrance, mortgage, deed of trust, adverse ownership interest, hypothecation, assignment, security interest or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever.

"Person" means any individual, corporation, partnership, joint venture, trust, limited liability company or corporation, unincorporated organization or government or any agency or political subdivision thereof.

"Purchased Residual Interest" means each of the Residual Interests listed on Exhibit A hereto and as Exhibit A may be updated and delivered to Transferee pursuant to Section 5(i) herein (along with any contractual rights and obligations of the holder of such interest under the Legal Documents).

"Related REMIC" means, with respect to a Purchased Residual Interest, the REMIC in which such security represents a Residual Interest.

“REMIC” means a real estate mortgage investment conduit within the meaning of Code section 860D(a).

“REMIC Trustee” means the trustee, certificate registrar, transfer agent or like Person appointed pursuant to the Legal Documents to maintain the register of holders of a Purchased Residual Interest.

“Residual Interest” has the meaning set forth in Code section 860G(a)(2) (along with any contractual rights and obligations of the holder of such interest under the relevant transaction or legal documents).

“Schedule Q” means a Schedule Q (IRS Form 1066) Quarterly Notice to Residual Interest Holder of REMIC Taxable Income or Net Loss Allocation or any successor schedule as may be required by IRS Form 1066 (or successor Form thereto).

“Securities Act” means the Securities Act of 1933, as amended.

“Servicer” means, with respect to a Purchased Residual Interest, the servicer designated under the Legal Documents for the Related REMIC.

“Settlement Date” means eight Business Days after (i) the Bankruptcy Court shall have entered in the Chapter 11 Case and the SIPA Proceeding an order or orders approving this Agreement and the Inter-Estate Agreement and all of the terms and conditions hereof and thereof, and approving and authorizing LBHI and the Trustee to consummate the transactions contemplated hereby and thereby, such order(s) to be in form and substance reasonably satisfactory to LBHI and the Trustee (the “Authorization Order”), and (ii) the Authorization Order shall have become a Final Order and shall remain in full force and effect unless waived by the Transferors and the Transferee.

“Transaction” means the transactions between each of the Transferors and the Transferee contemplated herein.

(b) For purposes of this Agreement, the following terms have meanings set forth in the sections indicated:

Term	Section
Additional Residual Interest	5(i)
Agreed Additional Residual Interests	5(i)
Available Number	5(i)
Certificates	5(b)
ERISA	4(m)
Transfer Documents	5(b)

## SECTION 2. Agreement to Sell and Purchase.

(a) On the basis of the representations, warranties and agreements herein contained, and upon the terms and subject to the conditions herein set forth, on the Settlement

Date each Transferor will sell, assign and transfer to the Transferee all right, title and interest of, in the case of the LBHI Entities, that Transferor and, in the case of the Trustee, LBI in, to and under the Purchased Residual Interests being sold by such Transferor and beneficially owned by, in the case of the LBHI Entities, that Transferor and, in the case of the Trustee, LBI; and provided that LBHI shall have paid the Transferee the Inducement Payment, the Transferee will purchase, accept and assume all such rights, title, and interest relating to such Purchased Residual Interests from and including the Effective Date.

(b) On the Settlement Date, LBHI shall pay the Inducement Payment to the Transferee, on behalf of the LBHI Entities and LBI, by wire transfer of immediately available funds to the account specified on Exhibit B hereto.

(c) If, despite the commercially reasonable efforts of the Transferor and the Transferee as contemplated by Section 5(c) hereof, a Purchased Residual Interest cannot be transferred by a Transferor and acquired by the Transferee because of a legal impediment (e.g., a transfer restriction or required consent) that cannot be cured or waived, the Transferee shall promptly return to LBHI, on behalf of the applicable Transferor, the related Allocable Portion. The obligation to return such Allocable Portion shall constitute the sole and exclusive remedy available to any party for such an inability to transfer a Purchased Residual Interest.

SECTION 3. Transferor Representations. Each Transferor, severally and not jointly, hereby represents and warrants to the Transferee with respect to itself and, in the case of the Trustee, with respect to LBI, as of the Effective Date, the Execution Date and the Settlement Date:

(a) The Transferor, in the case of LPTSI, is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization. The execution, delivery and performance of this Agreement by the Transferor and the consummation of the Transaction have been duly and validly authorized, this Agreement has been executed and delivered by the Transferor and, assuming this Agreement constitutes the valid and binding agreement of Transferee, this Agreement evidences the valid, binding and enforceable obligation of the Transferor, except as enforceability may be limited by bankruptcy, insolvency, liquidation, receivership, moratorium, reorganization or other similar laws affecting the enforcement of the rights of creditors, and general principles of equity, whether enforcement is sought in a proceeding in equity or at law, and subject to approval of this Agreement and the transactions contemplated hereby by the Bankruptcy Court in the Chapter 11 Case, in the case of LBHI, and in the SIPA Proceeding, in the case of the Trustee.

(b) The Transferor is not and will not be required to obtain any consent, approval, authorization, or order from any court, governmental agency or body, or federal or state regulatory authority having jurisdiction over the Transferor or, in the case of the Trustee, LBI with respect to the consummation of the Transaction other than the approval of this Agreement and the Transaction by the Bankruptcy Court in the Chapter 11 Case, in the case of LBHI, and in the SIPA Proceeding, in the case of the Trustee, or, any other such consent, approval, authorization or order that has been or will be obtained prior to the Settlement Date.

(c) Subject to the entry of the Authorization Order, the consummation of the Transaction will not result in the breach of any term or provision of the governing documents of the Transferor, in the case of the LBHI Entities, or result in the violation of any law, rule, regulation, order, judgment or decree to which the Transferor is subject, except for any such breach or violation that would not individually or in the aggregate reasonably be expected to have a material adverse effect on the Transferor's ability to consummate the Transaction or discharge its obligations under this Agreement.

(d) The Transferor, in the case of the LBHI Entities, and LBI, in the case of the Trustee, is a United States Person within the meaning of Code section 7701(a)(30), and is not either (i) a "disqualified organization" within the meaning of Code section 860E(e)(5) or (ii) a "foreign person" or "foreign holder" within the meaning of U.S. Treasury Regulation section 1.860G-3.

(e) The Transferor, in the case of the LBHI Entities, and LBI, in the case of the Trustee, is, and immediately prior to the Settlement Date will be, the sole beneficial owner of, and has, and will have, good title to, the Purchased Residual Interests (or percentage interests therein) to be sold by it, in the case of the LBHI Entities, and the Trustee, in the case of LBI, free and clear of any Liens. One of the Transferors, or LBI, is and will as of the Settlement Date be the record owner of the Purchased Residual Interests.

(f) The information in Exhibit A hereto with respect to the Purchased Residual Interests to be transferred by such Transferor is true and correct in all material respects.

(g) The copies of the Legal Documents forwarded to the Transferee by or on behalf of the Transferor thereof are true and correct copies of such Legal Documents. To the Knowledge of the Transferor, the Transferor has not and, in the case of the Trustee, LBI has not consented to any amendments to such Legal Documents. To the Knowledge of the Transferor, there is no default under any of the Legal Documents with respect to the Purchased Residual Interests to be sold by such Transferor.

(h) To the Knowledge of the Transferor, the Transferor has not received any notice, and the Internal Revenue Service has not made any claim or assertion to the Transferor, regarding the ongoing qualification as a REMIC of any Related REMIC in which the Purchased Residual Interests to be sold by such Transferor are interests.

(i) Except for the representations and warranties contained in this Section 3, neither the Transferor nor any other Person makes any express or implied representation or warranty with respect to the Transferor, LBI (in the case of the Trustee), the Purchased Residual Interests to be sold by such Transferor or the transactions contemplated by this Agreement, and the Transferor disclaims any other representations or warranties, whether made by the Transferor, any affiliate of the Transferor or any of their respective officers, directors, employees, agents or representatives.

SECTION 4. Transferee Representations. The Transferee hereby represents and warrants to each Transferor as of the Effective Date, the Execution Date and the Settlement Date:

(a) The Transferee is a banking association duly organized, validly existing, and in good standing under the laws of the United States, and has the power and authority to execute and deliver this Agreement and to perform in accordance with the terms hereof. The Transferee's Taxpayer Identification Number is 13-5266470. The execution, delivery and performance of this Agreement by the Transferee and the consummation of the Transaction contemplated hereby have been duly and validly authorized. This Agreement has been executed and delivered by the Transferee and evidences the valid, binding and enforceable obligation of the Transferee, except as enforceability may be limited by insolvency, liquidation, receivership, moratorium, reorganization or other similar laws affecting the enforcement of the rights of creditors and general principles of equity, whether enforcement is sought in a proceeding in equity or at law.

(b) The Transferee is not and will not be required to obtain any consent, approval, authorization, or order from any court, governmental agency or body, or federal or state regulatory authority having jurisdiction over the Transferee with respect to the execution, delivery and performance by Transferee of this Agreement and the consummation of the Transaction or, if required, such consent, approval, authorization or order has been or will be obtained, prior to the Settlement Date.

(c) The consummation of the Transaction is in the ordinary course of business of the Transferee and will not result in the breach of any term or provision of the charter or by laws of the Transferee or result in the breach of any term or provision of, or conflict with or constitute a default under or result in the acceleration of any obligation under, any agreement indenture or loan or credit agreement or other instrument to which the Transferee or its property is subject, or result in the violation of any law, rule, regulation, order, judgment or decree to which the Transferee or its property is subject, except for any such breach, conflict, default or violation that would not individually or in the aggregate reasonably be expected to have a material adverse effect on Transferee's ability to consummate the Transaction or discharge its obligations under this Agreement.

(d) The Transferee does not believe, and has no reason or cause to believe, that it cannot perform under this Agreement.

(e) The Transferee understands that the Purchased Residual Interests represent, for United States federal income tax purposes, residual interests as defined in Code section 860G(a)(2) in REMICs. The Transferee certifies that it understands the United States federal income tax consequences of the acquisition and ownership of the Purchased Residual Interests.

(f) The Transferee has a valid business purpose for acquiring the Purchased Residual Interests. The Transferee reasonably expects that its ownership of the Purchased Residual Interests, together with the receipt of the Inducement Payment, will be economically profitable to the Transferee overall, after all related expenses (including taxes) have been paid and based on reasonably conservative assumptions with respect to discount rates, prepayments and other factors necessary to evaluate profitability.

(g) The Transferee has historically paid its debts as they become due, and the Transferee intends and believes that it will be able to continue to pay its debts as such debts come due in the future.

(h) The Transferee understands that, as the owner of a Purchased Residual Interest, it may incur tax liabilities in excess of any cash flows generated by the Purchased Residual Interest and the Transferee intends to pay any taxes associated with owning such Purchased Residual Interest as such taxes become due and payable.

(i) The Transferee is not a “disqualified organization” within the meaning of Code section 860E(c)(5). The Transferee (i) is a United States person within the meaning of Code section 7701(a)(30) with respect to which any income from any Purchased Residual Interest will not be attributable to a foreign permanent establishment or fixed base (within the meaning of an applicable income tax treaty) of the Transferee or any other Person, and (ii) is not a “foreign person” or “foreign holder,” within the meaning of Treasury Regulation section 1.860G-3.

(j) The Transferee is a “qualified institutional buyer” as defined in Rule 144A of the Securities Act and an “accredited investor” as defined in Rule 501(a)(1) of the Securities Act, is aware that the sale to it is being made in reliance on Rule 144A and is purchasing the Purchased Residual Interests hereunder for its own account and not for the account of any other Person. The Transferee is knowledgeable and experienced in financial, business and tax matters generally and, in particular, the Transferee is knowledgeable and experienced in the investment risk and tax consequences of REMIC Residual Interests that provide little or no cash flow, and the Transferee is capable of evaluating the merits and risks of an investment in the Purchased Residual Interests. The Transferee is able to bear the economic risks of an investment in the Purchased Residual Interests.

(k) The Transferee has, and at the close of each of the Transferee’s two fiscal years preceding the year of the purchase of the Purchased Residual Interests Transferee had, for financial reporting purposes, gross assets in excess of \$100 million and net assets in excess of \$10 million (in each case, excluding any obligation of a person related to the Transferee within the meaning of Treasury Regulation section 1.860E-1(c)(6)(ii) and any other asset if a principal purpose for holding or acquiring such asset is to permit the Transferee to satisfy the conditions of this representation), within the meaning of Treasury Regulation section 1.860E-1(c)(5)(i).

(l) The Transferee is an “eligible corporation,” as defined in Treasury Regulations section 1.860E-1(c)(6)(i), and the Transferee’s income, if any, from the Purchased Residual Interests will be taxed to the Transferee in the United States.

(m) The Transferee is not an employee benefit plan or other plan that is subject to the prohibited transaction provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or Section 4975 of the Code, and is not treated under ERISA as using the assets of any such plan to which such provisions apply to acquire the Purchased Residual Interests.

(n) Notwithstanding anything contained in this Agreement to the contrary, the Transferee acknowledges and agrees that each Transferor is not making any representations or warranties whatsoever, express or implied, beyond those expressly given by each Transferor in Section 3 hereof, and the Transferee acknowledges and agrees that, except for the representations and warranties contained therein, the Purchased Residual Interests are being transferred on a "where is" and, as to condition, "as is" basis. The Transferee understands and acknowledges that none of the Transferors makes or gives any representation, warranty, guarantee or other assurance with regard to the projected financial, tax or other performance of the Purchased Residual Interests. The Transferee acknowledges and agrees that it is responsible for and has performed its own financial and tax analysis of the Purchased Residual Interests in making its decision to enter into this Agreement and to consummate the Transaction.

(o) The Transferee understands that if, the Transferee transfers any Purchased Residual Interest to a "disqualified organization," within the meaning of Code section 860E(e)(5), a tax may be imposed on the Transferee.

#### SECTION 5. Covenants.

(a) Each Transferor agrees to deliver to the Transferee a true and complete copy of any written notice (including any Schedule Qs or other written communication) received from the Servicer, REMIC administrator or other like party appointed under the Legal Documents with respect to any Purchased Residual Interest to be sold by such Transferor to the Transferee under this Agreement that such Transferor received or receives, in each case, after the Effective Date, and to remit, in the same form as received, to the Transferee any payments received and accepted by such Transferor in respect of the Purchased Residual Interests to be sold by such Transferor, as to which the record dates for the payments are on or after the Effective Date.

(b) The parties acknowledge that the Transferors do not on the date of their execution and delivery hereof have in their possession all of the certificates evidencing the Purchased Residual Interests (or, with respect to such Purchased Residual Interests for which no certificates are available, affidavits of lost certificates, with attached bond powers, in a form appropriate for transfer (or, in the case of Purchased Residual Interests not evidenced by certificates, if any, other documents necessary to effect the transfer)) (collectively, the "Certificates"). Each Transferor will use commercially reasonable efforts to obtain the Certificates for the Purchased Residual Interests to be sold by it herein and prepare, execute and deliver to the Transferee at such location as shall be reasonably directed by the Transferee all of the Certificates in its possession 5 Business Days prior to the Settlement Date. The Transferee will use its commercially reasonable efforts to obtain all other transfer documents required under the Legal Documents to consummate a transfer of the Purchased Residual Interests (collectively, the "Transfer Documents") and prepare, execute and deliver to the Transferors all of the Transfer Documents in its possession 5 Business Days prior to the Settlement Date. Each Transferor agrees to execute and deliver all such Transfer Documents related to the Purchased Residual Interests to be sold by such Transferor as are provided to it by the Transferee, as necessary to consummate the Transaction. The Transferee shall prepare, execute and deliver to the Transferors after the Settlement Date any Transfer Documents necessary to consummate or confirm the Transaction as to a Purchased Residual Interest and that it did not previously



prepare, execute or deliver. All such additional Transfer Documents shall be executed and delivered by the Transferor as provided above. The performance by each Transferor and the Transferee of their respective obligations with respect to Certificates and/or Transfer Documents under this Section 5(b), in each case, shall not be conditions precedent to the consummation of the Transaction.

(c) Prior to and after the Settlement Date, each party shall, and shall cause their respective affiliates to, use commercially reasonable efforts to execute and deliver such documents or instruments, including Transfer Documents, and to take such action, as the other parties may reasonably request (including without limitation, the prompt execution and delivery of documents and taking of actions by the Trustee, at an LBHI Entity's reasonable request, with respect to any Purchased Residual Interest to be sold by an LBHI Entity for which LBI is the holder under the register of holders of the REMIC Trustee of such Purchased Residual Interest), to effectuate the purposes of this Agreement and to effectively transfer, convey, assign and confirm or perfect the transfer, conveyance and assignment to the Transferee of all of the right, title, interest and privilege related to the Purchased Residual Interests and, on or after the Settlement Date, to register the Transferee as the record owner of each Purchased Residual Interest, in the most expeditious manner practicable.

(d) Each Transferor agrees to report, for United States federal and applicable state and local income and franchise tax purposes, all income, loss and other tax items attributable to its, in the case of the LBHI Entities, and LBI's, in the case of the Trustee, beneficial ownership of the Purchased Residual Interests to be sold by such Transferor for periods ending before the Effective Date on the Transferor's, in the case of the LBHI Entities, and LBI's, in the case of the Trustee, timely filed United States federal and applicable state and local income and franchise tax returns, and to pay any taxes shown to be due thereon. The Transferee agrees to report, for United States federal and applicable state and local income and franchise tax, all income, loss and other tax items attributable to the Purchased Residual Interests acquired hereunder for periods beginning on and after the Effective Date on the Transferee's timely filed United States federal and applicable state and local income and franchise tax returns and to pay any taxes shown to be due on such tax returns. Once acquired by it, the Transferee will transfer the Purchase Residual Interests only to another "eligible corporation," as defined in Treasury Regulation section 1.860E-1(c)(6)(i), in a transaction that satisfies the requirements of Treasury Regulation section 1.860E-1(c)(4)(i), (ii), and (iii) and Treasury Regulation section 1.860E-1(c)(5).

(e) Each Transferor's sale of its portion of, and the Transferee's purchase of, the Purchased Residual Interests as of the Effective Date is intended to constitute a transfer for tax and all other purposes and each party hereto acknowledges that it has received due and adequate consideration therefor. Each Transferor agrees to assist the Transferee in causing any trustee of any Related REMIC of the Purchased Residual Interests to be sold by such Transferor to issue amended Schedule Q if any have been issued after the Effective Date.

(f) LBHI agrees to seek the consent of the official committee of unsecured creditors appointed in the Chapter 11 Case for the Transaction. LBHI and the Trustee agree to seek entry of the Authorization Order in the Chapter 11 Case and the SIPA Proceeding, respectively, subject to, at LBHI and the Trustee's reasonable request, execution and delivery of

a declaration by the Transferee in support of the Authorization Order and the Transaction or otherwise representing that the Transferee qualifies as a valid transferee of the Purchased Residual Interests under the Legal Documents and applicable law and may purchase, accept and assume all right, title, and interest in, to and under the Purchased Residual Interests pursuant to Section 2(a) herein, reasonably acceptable to the Transferee, LBHI and the Trustee. The Transferee agrees that it will promptly take such commercially reasonable actions as are reasonably requested by LBHI or the Trustee to assist in obtaining entry of the Authorization Order and a finding of adequate assurance of future performance by a Transferee, including furnishing affidavits or other documents prepared by the Transferor and reasonably acceptable to the Transferee or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by the Transferee under this Agreement and demonstrating that the Transferee is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. The Transferee shall not, without the prior written consent of LBHI and the Trustee, file, join in, or otherwise support in any manner whatsoever any motion or other pleading relating to the sale of the Purchased Residual Interests hereunder. In the event the entry of the Authorization Order shall be appealed, LBHI, the Trustee and Transferee shall use their respective reasonable efforts to defend such appeal.

(g) If any party receives notice from the Internal Revenue Service regarding the Transaction, such party shall promptly deliver a copy of the same to the other parties.

(h) The parties hereto agree that all covenants and agreements of the Transferors under this Section 5 shall be several and not joint.

(i) After the Execution Date and on or before the fifth Business Day before the Settlement Date, if any of the Transferors identifies any Residual Interests that it, in the case of the LBHI Entities, and LBI, in the case of the Trustee, beneficially owned on January 1, 2010, that were not included in Exhibit A to this Agreement on the Execution Date, such additional Residual Interests shall be Purchased Residual Interests upon delivery of an updated version of Exhibit A hereto, which includes such additional Residual Interests, to the Transferee pursuant to this Section 5(i). LBHI or the Trustee, as the case may be, shall notify the other of any such additional Residual Interest identified by an LBHI Entity or the Trustee, respectively, (each such Residual Interest an "Additional Residual Interest" upon notice by LBHI or the Trustee to the other of such Residual Interest), in each case, no later than five Business Days before the Settlement Date. The Transferors shall prepare an updated version of Exhibit A hereto by adding to such exhibit any Additional Residual Interests; provided, that if the sum of (i) the number of Residual Interests on Exhibit A on the Execution Date, and (ii) the total number of Additional Residual Interests, exceeds 1900 Residual Interests, the Transferors shall only include 1900 Residual Interests in the updated version of Exhibit A and the Transferors agree that they will use their reasonable best efforts, acting in good faith and reasonably to agree as to which of such Additional Residual Interests are currently producing the most excess inclusion income and shall, accordingly, be included in the updated version of Exhibit A (such Additional Residual Interests, the "Agreed Additional Residual Interests"). If the number (the "Available Number") equal to (a) 1900, minus (b) the number of Residual Interests in Exhibit A to this Agreement on the Execution Date, minus (c) the number of Agreed Additional Residual Interests, is greater than zero, then the Transferors shall randomly select the Available Number of Residual Interests from among the Additional Residual Interests that are not Agreed Additional Residual Interests

and the Residual Interests so selected shall be included in the updated version of Exhibit A. On the Settlement Date, the Transferors shall deliver to the Transferee an updated version of Exhibit A hereto, which will include no more than 1900 Residual Interests at all times. Notwithstanding anything to the contrary, (i) the Transferors may agree, without the consent of the Transferee, on a different method for designating Additional Residual Interests to be included on Exhibit A from that set forth above and (ii) the updated version of Exhibit A hereto delivered by the Transferors to the Transferee herein shall supersede any prior version of Exhibit A for purposes of this Agreement. For purposes of this Agreement, each line item on Exhibit A, as it may be updated, constitutes a separate Residual Interest whether or not such Residual Interest is part of a tiered structure and whether or not such interest is evidenced by a separate certificate and all Residual Interests in a single tier of a REMIC shall be treated as a single Residual Interest.

(j) For the avoidance of doubt, for purposes of this Agreement the parties agree that LBI is not an LBHI Entity and is not a subsidiary or an affiliate of an LBHI Entity and the LBHI Entities and their subsidiaries and affiliates are not affiliates of LBI and its affiliates.

SECTION 6. Costs. The Transferee shall promptly pay the ordinary, necessary and reasonable out-of-pocket costs and expenses (including fees payable to trustees and custodians in connection with the Transaction), incurred in connection with the consummation of the Transaction following submission of appropriate and customary documentation of such costs and expenses; provided, however, that the Transferee shall not pay or be responsible for the cost of Alvarez and Marsal, Hughes Hubbard & Reed LLP, Deloitte & Touche LLP and Weil, Gotshal & Manges LLP or any other consultants, advisors or third party hired by a Transferor.

SECTION 7. Notices. Unless otherwise specifically provided herein, all demands and notices hereunder shall be in writing, and shall be deemed to have been duly given (a) when delivered personally by hand (with written confirmation of receipt), (b) when sent by facsimile (with written confirmation of transmission) or (c) one Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses and facsimile numbers (or to such other address or facsimile number as a party may have specified by notice given to the other parties pursuant to this provision):

(i) if to LBI or the Trustee:

Hughes Hubbard & Reed LLP  
One Battery Park Plaza  
New York, NY 10004  
Facsimile No.: (212) 422-4726  
Attention: James W. Giddens

With a copy to:

Hughes Hubbard & Reed LLP  
One Battery Park Plaza  
New York, NY 10004  
Facsimile No.: (212) 422-4726  
Attention: Andrew H. Braiterman

(ii) if to an LBHI Entity:

Lehman Brothers Holdings Inc.  
101 Hudson Street, 11th Floor  
Jersey City, NJ 07302  
Attention: Jeffry J. Ciongoli

With a copy (which shall not constitute notice) to:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, NY 10153  
Facsimile No.: (212) 310-8007  
Attention: Robert L. Messineo

(iii) if to the Transferee:

Citibank, N.A.  
390 Greenwich Street 4th Floor  
New York, New York 10013  
Facsimile No.: 646-862-8053  
Telephone No.: 212-723-6752  
Ronald.Rudolph@Citi.com  
Attention: Ronald Rudolph

SECTION 8. Severability Clause. Any part, provision, representation or warranty of this Agreement which is prohibited or unenforceable or is held to be void or unenforceable in any applicable jurisdiction shall be ineffective, as to such jurisdiction, to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. To the extent permitted by applicable law, the parties hereto waive any provisions of law which prohibit or render void or unenforceable any provision hereof. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate, in good faith, to develop a structure the economic effect of which is nearly as possible the same as the economic effect of this Agreement without regard to such invalidity.

SECTION 9. No Partnership. Nothing contained herein shall be deemed or construed to create a partnership, joint venture or agency between the parties hereto.

SECTION 10. Counterparts. This Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. In furtherance of the foregoing, it is understood and agreed that signatures hereto, delivered by facsimile or other electronic transmission, shall be deemed to be, and shall constitute, original signatures.

SECTION 11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without reference to any conflict of law principles that might lead to the application of the laws of any other jurisdiction, except to the extent that the laws of the State of New York are superseded by SIPA or the Bankruptcy Code.

SECTION 12. Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by the Transferee and the Transferors and their permitted successors and assigns. No party hereto may assign its rights and obligations hereunder to any other Person without the express written consent of the other parties and any such attempted assignment shall be void. Notwithstanding the foregoing, each party hereby consents to the assignment of this Agreement to a Person succeeding to all or substantially all of the assets of such party.

SECTION 13. Waiver. Neither the failure nor any delay on the part of any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a continuing waiver of such right, remedy, power or privilege or a waiver with respect to any other occurrence. No term or provision of this Agreement may be waived or modified unless such waiver or modification is in writing and signed by the party against whom such waiver or modification is sought to be enforced.

SECTION 14. Exhibits. The exhibits to the Agreement, including any update to the exhibits made pursuant to Section 5(i) herein, are hereby incorporated and made a part hereof and are an integral part of this Agreement.

SECTION 15. Amendment. This Agreement may not be amended except by written agreement signed by the parties hereto.

SECTION 16. Confidentiality. Notwithstanding anything herein to the contrary, each party (and each employee, representative or other agent of each party) hereto may disclose to any and all Persons or entities, without limitation of any kind, any information with respect to the United States "tax treatment" and "tax structure" (in each case, for U.S. federal income and any comparable applicable state or local tax law purposes, within the meaning of Treasury Regulation section 1.6011-4) of the Transaction contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to such parties (or their representatives) relating to such tax treatment and tax structure; provided, that with respect to such information or to any other document or similar item that in either case contains information concerning the tax treatment or tax structure of the Transaction as well as other information, this sentence shall only apply to such portions of such information or of the other document or similar item that relate to the United States tax treatment or tax structure of the Transaction contemplated hereby; provided, further, that such disclosure shall not include the name (or other identifying information not relevant to the tax structure or tax treatment) of any Person and shall not include information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws.

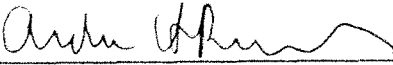
SECTION 17. Jurisdiction; Consent to Service of Process. WITHOUT LIMITING ANY PARTY'S RIGHT TO APPEAL ANY ORDER OF THE BANKRUPTCY COURT, (I) THE BANKRUPTCY COURT SHALL RETAIN EXCLUSIVE JURISDICTION TO ENFORCE THE TERMS OF THIS AGREEMENT AND TO DECIDE ANY CLAIMS OR DISPUTES WHICH MAY ARISE OR RESULT FROM, OR BE CONNECTED WITH, THIS AGREEMENT, ANY BREACH OR DEFAULT HEREUNDER, OR THE TRANSACTIONS CONTEMPLATED HEREBY, AND (II) ANY AND ALL PROCEEDINGS RELATED TO THE FOREGOING SHALL BE FILED AND MAINTAINED ONLY IN THE BANKRUPTCY COURT, AND THE PARTIES HERETO HEREBY CONSENT TO AND SUBMIT TO THE JURISDICTION AND VENUE OF THE BANKRUPTCY COURT; PROVIDED, HOWEVER, THAT IF THE BANKRUPTCY COURT DOES NOT HAVE OR ABSTAINS FROM EXERCISING SUCH JURISDICTION, THE PARTIES HERETO AGREE TO UNCONDITIONALLY AND IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK SITTING IN NEW YORK COUNTY OR THE COMMERCIAL DIVISION, CIVIL BRANCH OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND ANY APPELLATE COURT HAVING JURISDICTION OVER AN APPEAL FROM ANY THEREOF, FOR THE RESOLUTION OF ANY SUCH CLAIM OR DISPUTE. THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION WHICH THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH DISPUTE BROUGHT IN SUCH COURT OR ANY DEFENSE OF INCONVENIENT FORUM FOR THE MAINTENANCE OF SUCH DISPUTE. EACH PARTY CONSENTS TO SERVICE OF PROCESS UPON IT BY MAILING A COPY THEREOF BY CERTIFIED MAIL ADDRESSED TO IT AS PROVIDED FOR NOTICES HEREUNDER.

SECTION 18. Waiver of Trial by Jury. EACH OF THE TRANSFERORS AND THE TRANSFEREE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

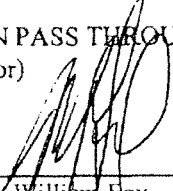
SECTION 19. Entire Agreement. Subject to Section 5(i) herein, this Agreement constitutes the entire agreement and understanding relating to the subject matter hereof among the parties hereto and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement, including without limitation (a) the letter of intent between Transferee, LBHI and LPTSI, dated March 31, 2010 and (b) the letter of intent between Transferee and the Trustee, dated May 17, 2010.

IN WITNESS WHEREOF, the Transferee and the Transferors have caused their names to be signed hereto by their respective officers thereunto duly authorized effective as of the Effective Date.

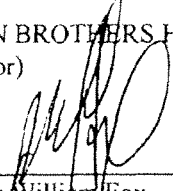
JAMES W. GIDDENS, as Trustee for the liquidation of Lehman Brothers Inc. under the Securities Investor Protection Act of 1970, as amended (Transferor)

By:   
Hughes Hubbard & Reed LLP  
Counsel for the Trustee  
By: Andrew H. Braiterman  
Title: Partner

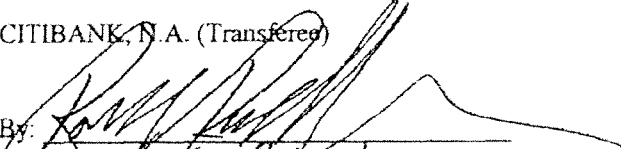
LEHMAN PASS THROUGH SECURITIES INC.  
(Transferor)

By:   
Name: William Fox  
Title: Executive Vice President

LEHMAN BROTHERS HOLDINGS INC.  
(Transferor)

By:   
Name: William Fox  
Title: Executive Vice President

CITIBANK, N.A. (Transferee)

By:   
Name: Ron Rudolph  
Title: V.P. Authorized Signatory