CONTRIBUTION AGREEMENT

by and among

LEHMAN BROTHERS HOLDINGS INC.,

LBHI LAMCO HOLDINGS LLC,

LAMCO HOLDINGS LLC

LAMCO LLC

and

LAMCO HOLDINGS INTERNATIONAL B.V.

Dated as of [●], 2010

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CONTRIBUTION AGREEMENT (this "**Agreement**") dated as of the **[●]** day of **[●]**, 2010, by and among LEHMAN BROTHERS HOLDINGS INC., a Delaware corporation ("**LBHI**"), LBHI LAMCO HOLDINGS LLC, a Delaware corporation ("**LBHI SPV**"), LAMCO HOLDINGS LLC, a Delaware limited liability company ("**LAMCO Holdings**"), LAMCO HOLDINGS INTERNATIONAL B.V., a Netherlands company ("**LAMCO International**"), and LAMCO LLC, a Delaware limited liability company ("**LAMCO**").

W I T N E S S E T H:

WHEREAS, LBHI is a debtor-in-possession under title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "**Bankruptcy Code**"), and filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on September 15, 2008 in the United States Bankruptcy Court for the Southern District of New York (Manhattan) (the "**Bankruptcy Court**") (Case No. 08-13555(3MP)) (the "**Bankruptcy Case**"); and

WHEREAS, on September 9, 2009, LBHI formed LAMCO as a Delaware limited liability company and owns 100% of the equity interests in LAMCO;

WHEREAS, on [●], 2010, LBHI formed LBHI SPV as a Delaware corporation and holds 100% of the equity interests in LBHI SPV (the "**LBHI SPV Equity Interests**");

WHEREAS, on [●], 2010, LBHI and LBHI SPV formed LAMCO Holdings as a Delaware limited liability company, whereby LBHI owns 99% of the membership interests in LAMCO Holdings and LBHI SPV holds 1% of the membership interests in LAMCO Holdings (the "**LAMCO Holdings Equity Interests**");

WHEREAS, on [•], 2010, LAMCO Holdings formed LAMCO International as a Netherlands company and holds 100% of the equity interests in LAMCO International (the "**LAMCO International Equity Interests**");

WHEREAS, pursuant to the terms of the Assignment and Assumption Agreement between LBHI and LAMCO Holdings, LBHI agreed to assign all of its right, title and interest in its membership interests in LAMCO to LAMCO Holdings and LAMCO Holdings agreed to assume all of LBHI's liabilities, obligations and responsibilities solely allocable to such interests and as a result, LAMCO Holdings holds 100% of the membership interests in LAMCO;

WHEREAS, subject to the requisite authority under, inter alia, sections 363 and 105(a) of the Bankruptcy Code, (i) LBHI desires to transfer to LAMCO Holdings 99% of its right, title and interest in certain of the assets related to the formation and operation of a domestic asset management business (the "**Domestic Asset Management Business**") and an international asset management business (the "**International Asset Management Business**", together with the Domestic Asset Management Business, the "**Asset Management Business**") and LAMCO Holdings desires to accept such assets and assume certain related liabilities, all as provided herein, and (ii) LBHI desires to transfer to LBHI SPV the remaining 1% of its right, title and

interest in certain of the assets related to the Asset Management Business and LBHI SPV desires to accept such assets and assume certain related liabilities, all as provided herein (such transactions being sometimes collectively referred to herein as the "**First Contribution**"), with LBHI retaining all assets not transferred to LAMCO Holdings and LBHI SPV, respectively, as contemplated herein and, except as set forth herein or in the Ancillary Agreements (as defined below), all liabilities not assumed by LAMCO Holdings and LBHI SPV as contemplated herein;

WHEREAS, immediately following the First Contribution, subject to the requisite authority under, inter alia, sections 363 and 105(a) of the Bankruptcy Code, LBHI SPV desires to transfer to LAMCO Holdings all of its right, title and interest in the Asset Management Business and LAMCO Holdings desires to accept such assets and assume certain related liabilities, all as provided herein (such transactions being sometimes collectively referred to herein as the "**Second Contribution**");

WHEREAS, immediately following the Second Contribution, subject to the requisite authority under, inter alia, sections 363 and 105(a) of the Bankruptcy Code, LAMCO Holdings desires to transfer to: (A) LAMCO all of its right, title and interest in the Domestic Asset Management Business and LAMCO desires to accept such assets and assume certain related liabilities, all as provided herein, and (B) LAMCO International all of its right, title and interest in the International Asset Management Business and LAMCO International desires to accept such assets and assume the related liabilities, all as provided herein (such transactions being sometimes collectively referred to herein as the "**Third Contribution**", together with the First Contribution and Second Contribution, the "**Contribution**");

NOW, THEREFORE, in consideration of the premises and of the mutual agreements, provisions and covenants contained in this Agreement and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. For purposes of this Agreement, the following terms have the respective meanings set forth below:

"**Action**" means any claim, action, suit, arbitration, mediation, inquiry, proceeding or investigation by or before any Governmental Authority, arbitrator or mediator.

"**Affiliate**" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the correlative terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities,

by contract or otherwise. Notwithstanding the foregoing definition of "Affiliate," for purposes of this Agreement, from and after the Closing, neither LAMCO Holdings nor any of its Subsidiaries shall be deemed an Affiliate of LBHI or LBHI SPV.

"**Agreement**" has the meaning set forth in the preamble above.

"**Ancillary Agreements**" has the meaning set forth in Section 3.01(b).

"**Assets**" means all assets, properties, rights, claims and interests of any kind, whether tangible or intangible, whether real, personal or mixed and wherever located.

"**Asset Management Assets**" has the meaning set forth in Section 2.01(a).

"**Asset Management Business**" has the meaning set forth in recitals above.

"**Asset Management Liabilities**" has the meaning set forth in Section 2.02(a).

"**Bankruptcy Case**" has the meaning set forth in recitals above.

"**Bankruptcy Code**" has the meaning set forth in recitals above.

"**Bankruptcy Court**" has the meaning set forth in recitals above.

"**Bankruptcy Court Order**" means the order of the Bankruptcy Court approving the transactions contemplated by this Agreement and the Ancillary Agreements, including the transfer of the Asset Management Assets free and clear of all Liabilities other than the Asset Management Liabilities.

"**Business Day**" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in The City of New York.

"**Closing**" has the meaning set forth in Section 4.01.

"**Closing Date**" has the meaning set forth in Section 4.01.

"**Contribution**" has the meaning set forth in recitals above.

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

"**Conveyancing and Assumption Instrument**" has the meaning set forth in Section 3.01(a).

"**Creditors' Committee**" means the Official Committee of Unsecured Creditors of Lehman Brothers Holdings Inc., et al., which was appointed by the Office of the United States Trustee on September 17, 2009, as revised or supplemented.

"**Domestic Asset Management Assets**" has the meaning set forth Section 2.01(a).

"**Domestic Asset Management Business**" has the meaning set forth in recitals above.

"**Domestic Asset Management Liabilities**" has the meaning set forth Section 2.02(a).

"**Domestic Business Employees**" means the employees of LBHI or its affiliates who are engaged in its Domestic Asset Management Business, as listed on Schedule A hereto.

"**Domestic Transferred Employees**" means those Domestic Business Employees who become employees of LAMCO in accordance with Section 2.01(a)(iv) and Section 5.01.

"**Domestic Transferred Employment Agreements**" has the meaning set forth in Section 2.01(a)(iv).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"First Contribution" has the meaning set forth in the recitals above.

"**Governmental Authority**" means any United States federal, state or local or any foreign government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

"**Indemnifying Party**" has the meaning set forth in Section 2.03(a).

"**Indemnitee**" has the meaning set forth in Section 2.03(a).

"**Information**" has the meaning set forth in Section 3.06(a).

"**Informed Party**" has the meaning set forth in Section 3.06(f).

"**International Asset Management Assets**" has the meaning set forth Section 2.01(a).

"**International Asset Management Business**" has the meaning set forth in recitals above.

"**International Asset Management Liabilities**" has the meaning set forth in Section 2.02(a).

"**International Business Employees**" means the employees of LBHI or its affiliates who are engaged in its International Asset Management Business, as listed on Schedule B hereto.

"**LAMCO**" has the meaning set forth in the preamble above.

"**LAMCO Balance Sheet**" has the meaning set forth in Section 2.01(a)(i).

"**LAMCO Holdings**" has the meaning set forth in the preamble above.

"LAMCO Holdings Equity Interests" has the meaning set forth in the recitals above.

"**LAMCO International**" has the meaning set forth in the preamble above.

"**LAMCO International Equity Interests**" has the meaning set forth in the recitals above.

"**LAMCO Work Papers**" has the meaning set forth in Section 2.01(a)(i).

"**LBHI**" has the meaning set forth in the preamble above.

"**LBHI Assets**" has the meaning set forth in Section 2.01(d).

"**LBHI Business**" means all of the businesses and operations of LBHI and its Subsidiaries other than the Asset Management Business.

"**LBHI Equity Interests**" has the meaning set forth in the recitals above.

"**LBHI Estates**" means LBHI Estates Ltd., a wholly owned subsidiary of LBHI.

"**LBHI Estates Equity Interests**" has the meaning set forth in Section 2.01(a).

"**LBHI Estates Regulatory Consents**" has the meaning set forth in Section 3.05.

"**LBHI Liabilities**" has the meaning set forth in Section 2.02(d).

"**LBHI Plans**" means the employee benefit plans maintained by LBHI that are listed on Schedule C hereto in which the Domestic Business Employees and International Business Employees participated (or were eligible to participate) immediately prior to the Closing.

"**LBHI Services**" means LBHI Services Ltd., a wholly owned subsidiary of LBHI.

"**LBHI Services Equity Interests**" has the meaning set forth in Section 2.01(a).

"**LBHI SPV**" has the meaning set forth in the preamble above.

"**LBHI SPV Equity Interests**" has the meaning set forth in the recitals above.

"**LBHI Subsidiaries**" mean the Subsidiaries of LBHI (other than LAMCO Holdings and any of its Subsidiaries).

"**Liabilities**" means all debts, liabilities and obligations of any kind or nature, whether accrued or fixed, absolute or contingent, matured or unmatured, or determined or determinable.

"**Licenses**" means all licenses, permits, certificates of authority, authorizations, approvals, registrations, franchises and similar consents granted or issued by any Governmental Authority.

"**Losses**" means any losses, Liabilities, damages, claims, demands, judgments or settlements of any nature or kind, known or unknown, fixed, accrued, absolute or contingent, liquidated or unliquidated, including all costs and expenses (legal, accounting or otherwise) relating thereto.

"**Net Proceeds**" has the meaning set forth in Section 2.03(d).

"**Person**" means any individual, partnership, firm, corporation, association, trust, unincorporated organization, Governmental Authority, joint venture, limited liability company or other entity.

"**Real Property**" means all owned real property and all leasehold interests in real property of LBHI or any LBHI Subsidiary, including all rights arising out of the ownership or lease thereof, together with all buildings, structures, facilities, fixtures, and other improvements thereto.

"**Requesting Party**" has the meaning set forth in Section 3.06(e).

"Second Contribution" has the meaning set forth in the recitals above.

"**Shared Services Agreement**" has the meaning set forth in Section 3.01(b).

"**Subsidiaries**" means with respect to any Person, any corporation, limited liability company, partnership, trust or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power (or, in the case of a partnership, limited liability company or other similar entity, more than 50% of the general partnership, managing member or similar interests) are owned, directly or indirectly, by such Person.

"**Tax or Taxes**" means all federal, state, provincial, local, territorial and foreign income, profits, franchise, license, capital, capital gains, transfer, ad valorem, wage, severance, occupation, import, custom, gross receipts, payroll, sales, employment, use, property, real estate, excise, value added, goods and services, estimated, stamp,

alternative or add-on minimum, environmental, withholding and any other taxes, duties, assessments or governmental tax charges of any kind whatsoever, together with all interest, penalties and additions imposed with respect to such amounts.

"**Termination Date**" means the date on which a chapter 11 plan of LBHI becomes effective; provided, however, that in the event that such chapter 11 plan of LBHI extends the rights of the Creditors' Committee set forth herein beyond the date on which such chapter 11 plan of LBHI becomes effective, then the Termination Date shall be deemed to be the date on which such rights of the Creditors' Committee set forth herein expire pursuant to such chapter 11 plan of LBHI.

"Third Contribution" has the meaning set forth in the recitals above.

"**Transferred Contracts**" has the meaning set forth in Section 2.01(a)(iii).

"**Transferred Licenses**" has the meaning set forth in Section 2.01(a)(viii).

ARTICLE II

THE CONTRIBUTION

Section 2.01. Assets to be Transferred.

(a) At the Closing, subject to the terms and conditions of this Agreement, including Section 3.05 hereof, LBHI will assign, transfer, convey, and deliver to LAMCO Holdings, and contribute to the capital of LAMCO Holdings in respect of the LAMCO Holdings Equity Interests, 99% of LBHI's right, title and interest in and to the Asset Management Assets and LBHI will assign, transfer, convey, and deliver to LBHI SPV, and contribute to the capital of LBHI SPV in respect of the LBHI SPV Equity Interests, the remaining 1% of LBHI's right, title and interest in and to the Assets as set forth in clauses (i) through (ix) below (collectively, the "**Domestic Asset Management Assets**") and clauses (x) and (xi) below (collectively, the "**International Asset Management Assets**", and together with the Domestic Asset Management Assets, the "**Asset Management Assets**"):

(i) All of the Assets reflected on the pro forma balance sheet of LAMCO (the "**LAMCO Balance Sheet")** as detailed on the work papers (the "**LAMCO Work Papers**") underlying the development of the LAMCO Balance Sheet, in each case, attached to Schedule D-1 hereto;

(ii) The tangible Assets set forth on Schedule D-2 hereto;

(iii) All rights and interests in the contracts or agreements of LBHI set forth on Schedule D-3 hereto (the "**Transferred Contracts**"), including shared contracts to be amended as contemplated by this Agreement;

(iv) All Domestic Transferred Employees and employment agreements between LBHI and the Domestic Business Employees that are assigned to or assumed by LAMCO pursuant to Section 5.01 (the "**Domestic Transferred Employment Agreements**");

(v) Cash in the amounts set forth on Schedule D-4 hereto, which, on the Closing Date, shall be deposited, as directed by LAMCO Holdings, into the bank accounts created pursuant to Section 3.07;

(vi) The trade names and service marks and registrations and applications therefor, trademarks, domain names and applications and registrations, and all common-law rights and the goodwill of the business appurtenant thereto, copyrights, copyright applications and registrations set forth on Schedule D-5 hereto;

(vii) A sublicense of LBHI's rights under Section 8.9(b) of the Asset Purchase Agreement, dated as of September 16, 2008, among LBHI, Lehman Brothers Inc., LB745 LLC and Barclays Capital Inc. for sole use in support of unwinding the business of LBHI and that of its current and former Subsidiaries;

(viii) All Licenses (including applications therefor) utilized primarily in the conduct of the Domestic Asset Management Business listed on Schedule D-6 hereto (the "**Transferred Licenses**");

(ix) All documents, books and records that are primarily used in or intended to be primarily used in, or are primarily related to the Domestic Asset Management Business, including personnel files for Domestic Transferred Employees, but excluding (i) personnel files for employees of LBHI who are not Domestic Transferred Employees, (ii) such files as may be required under applicable law regarding privacy, (iii) documents which LBHI is not permitted to transfer pursuant to any contractual confidentiality obligation owed to any third party, (iv) historical books and records relating to the assets and investments managed by the Domestic Asset Management Business prior to the Closing and (v) any documents, books and records primarily related to the LBHI Business. For purposes of this subparagraph, an Asset shall be deemed to relate "primarily" to or be used "primarily" in the Domestic Asset Management Business if, prior to the Closing, its use in relation to the Domestic Asset Management Business relative to other uses of such Asset by the LBHI Business, is its primary use (and, if otherwise, such Asset shall be deemed to relate "primarily" to or be used "primarily" in the LBHI Business);

(x) Subject to Section 3.05, LBHI's right, title and interest in its equity interests in LBHI Estates (the "**LBHI Estates Equity Interests**"), including LBHI's right, title and interest in and to the properties (real and personal), capital, distributions and profits and losses of LBHI Estates which are allocable to the LBHI Estates Equity Interests; and

(xi) LBHI's right, title and interest in its equity interests in LBHI Services (the "**LBHI Services Equity Interests**"), including LBHI's right, title and interest in and to the properties (real and personal), capital, distributions and profits and losses of LBHI Services which are allocable to the LBHI Services Equity Interests.

(b) Effective immediately following consummation of the contribution described in Section 2.01(a), subject to the terms and conditions of this Agreement, including Section 3.05 hereof, LBHI SPV will assign, transfer, convey, and deliver to LAMCO Holdings, and contribute to the capital of LAMCO Holdings in respect of its respective ownership of the LAMCO Holdings Equity Interests, all of LBHI SPV's right, title and interest in and to the Asset Management Assets.

(c) Effective immediately following consummation of the contribution described in Section 2.01(b), subject to the terms and conditions of this Agreement, including Section 3.05 hereof, LAMCO Holdings will assign, transfer, convey, and deliver to: (i) LAMCO, and contribute to the capital of LAMCO in respect of the LAMCO Equity Interests, all of LAMCO Holdings' right, title and interest in and to the Domestic Asset Management Assets and (ii) LAMCO International, and contribute to the capital of LAMCO International in respect of the LAMCO International Equity Interests, all of LAMCO Holdings' right, title and interest in and to the International Asset Management Assets.

(d) Anything in this Agreement to the contrary notwithstanding, LBHI shall retain all right, title and interest of LBHI in and to all of its Assets other than the Asset Management Assets (collectively and excluding the Asset Management Assets, the "**LBHI Assets**"). Without limiting the generality of the foregoing, the LBHI Assets shall include the following:

(i) All Real Property and all easements, covenants, rights of way and appurtenances relating to all Real Property;

(ii) All of LBHI's minute books and stock transfer books (except those of LAMCO);

(iii) all cash and cash equivalents;

(iv) all trade names and service marks and registrations and applications therefor, trademarks, domain names and applications and registrations, and all common-law rights and the goodwill of the business appurtenant thereto, copyrights, copyright applications and registrations, and patents and patent applications of LBHI;

(v) The capital stock or other equity interests or investment, including marketable securities, in any Person, including the LBHI Subsidiaries, or in any joint venture;

(vi) Any (i) confidential personnel and medical records pertaining to any employee other than the Domestic Transferred Employees; and (ii) other books and records that LBHI is required by law to retain, including books and records required to be retained by Rules 17a-3 and 17a-4 of the Exchange Act with respect to the Asset Management Assets or that LBHI reasonably determines are necessary to retain, including Tax returns, financial statements, and corporate or other entity filings; provided, however, that LAMCO shall have the right to make copies of any portions of such retained books and records that relate to the Domestic Asset Management Business;

(vii) All the equipment relating to the provision of information-technology-related services, functions and responsibilities performed by employees of LBHI or its advisors prior to Closing;

(viii) Any claim, right or interest of LBHI in or to any refund, rebate, abatement or other recovery for Taxes, together with any interest due thereon or penalty rebate arising therefrom, for any Tax period (or portion thereof) ending before, on or after the Closing Date;

(ix) All commercial real estate securities, loans or investments (including commercial loans, equity investments in such commercial real estate and other commercial real estate assets and all debt and equity positions);

(x) All private equity investments and hedge fund investments;

(xi) All residential real estate mortgage loans or securities;

(xii) All corporate debt securities, loans or investments;

(xiii) All derivatives contracts;

(xiv) All artwork;

(xv) All rights, claims, choses in action or other causes of action of LBHI against any Person that is subject to or under administration, receivership, bankruptcy or other similar insolvency proceeding; and

(xvi) The right of LBHI to contest any claim or cause of action brought, prior to the Closing, against LBHI or any LBHI Subsidiary that is subject to or under administration, receivership, bankruptcy or other similar insolvency proceeding; and

(e) Subject to Section 3.04 and 3.05, but notwithstanding anything else in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign (i) any claim, contract, license, lease, commitment or any claim or right or any benefit arising thereunder or resulting therefrom with respect to any business or Asset as to which consent to assignment or conveyance thereof is required but has not been obtained as of the Closing Date, nor (ii) any claim, contract, license, lease, commitment

or any claim or right or any benefit arising thereunder or resulting therefrom from which the businesses or Assets of LBHI or any LBHI Subsidiary, other than the Asset Management Business or Asset Management Assets, derive a benefit, without regard to whether such contracts or commitments relate primarily to the Asset Management Business, as to which amendments in accordance with Section 3.05 hereof have not been entered into as of the Closing Date.

Section 2.02. Assumption of Liabilities and Indemnification. (a) At the Closing, effective upon consummation of the contribution described in Section 2.01(a), LAMCO Holdings shall assume 99% of LBHI's right, title and interest in and to the Asset Management Liabilities (defined below) and LBHI SPV shall assume 1% of LBHI's right, title and interest in and to the Liabilities of LBHI as set forth in clauses (i) through (vi) below (collectively, the "**Domestic Asset Management Liabilities**") and clauses (vii) and (viii) below (collectively the "**International Asset Management Liabilities**", and together with the Domestic Asset Management Liabilities, the "**Asset Management Liabilities**"):

(i) all Liabilities reflected on the LAMCO Balance Sheet, as detailed on the LAMCO Work Papers underlying the development of the LAMCO Balance Sheet, except the Liabilities reflected thereon which have been discharged or satisfied between the date thereof and the Closing Date;

(ii) all Liabilities of LBHI under the Transferred Contracts, the Domestic Transferred Employment Agreements and the Transferred Licenses arising and to be performed on or after the Closing Date;

(iii) all Liabilities assumed by LAMCO or which LAMCO is obligated to pay, in each case pursuant to the provisions of Article V hereof;

(iv) all Liabilities which arise, accrue or are incurred on or after the Closing Date relating to or based upon the business or operation of the Domestic Asset Management Assets or the Domestic Asset Management Business as conducted on or after the Closing Date, including those related to (A) any contract, agreement, lease, license or other instrument included within the Domestic Asset Management Assets and not specified in Section 2.02(a)(ii) above and (B) any other activity undertaken by LAMCO on or after the Closing Date;

(v) all Liabilities related to the Domestic Transferred Employees for periods from and after the Closing Date, and all other Liabilities with respect to the Domestic Transferred Employees assumed by LAMCO under Article V hereof;

(vi) all Liabilities arising out of or related to any failure to act by LAMCO in accordance with this Agreement on or after the Closing Date;

(vii) subject to Section 3.05, all of LBHI's Liabilities solely allocable to the LBHI Estates Equity Interests, including LBHI's obligation to

fund its pro rata share of future capital contributions and other payment obligations as the sole shareholder of LBHI Estates; and

(viii) all of LBHI's Liabilities solely allocable to the LBHI Services Interests, including LBHI's obligation to fund its pro rata share of future capital contributions and other payment obligations as the sole shareholder of LBHI Services.

(b) At the Closing, effective upon consummation of the contribution described in Section 2.01(b), LAMCO Holdings shall assume all of LBHI SPV's right, title and interest in and to the Asset Management Liabilities.

(c) At the Closing, effective upon consummation of the contribution described in Section 2.01(c), LAMCO shall assume all of LAMCO Holdings' right, title and interest in and to the Domestic Asset Management Liabilities and LAMCO International shall assume all of LAMCO Holdings' right, title and interest in and to the International Asset Management Liabilities.

(d) Anything in this Agreement to the contrary notwithstanding, LBHI shall retain all right, title and interest of LBHI in and to all of its Liabilities other than the Asset Management Liabilities (collectively and excluding the Asset Management Liabilities, the "**LBHI Liabilities**"). Without limiting the generality of the foregoing, the LBHI Liabilities shall include the following:

(i) all Liabilities which arise, accrue or are incurred before, on or after the Closing Date relating to or based upon the past, present or future business or operation of the LBHI Assets or the LBHI Business as heretofore, currently or hereafter conducted, including those related to any contract, agreement, lease, license or other instrument included within the LBHI Assets;

(ii) except as reflected for in the LAMCO Balance Sheet, all Liabilities which arise, accrue or are incurred before, on or after the Closing Date relating to or based upon the past management or operation of the Domestic Asset Management Assets as conducted prior to the Closing Date, including those related to (A) any contract, agreement, lease, license or other instrument included within the Domestic Asset Management Assets and (B) any other activity undertaken by LAMCO, LBHI SPV or LAMCO Holdings before the Closing Date;

(iii) all Liabilities arising out of or related to any Actions based upon events or conditions occurring before or on the Closing Date, including those related to the transactions contemplated by this Agreement;

(iv) all Liabilities related to the Domestic Transferred Employees for periods prior to the Closing Date, to the extent and as more particularly described in Article V hereof, and all Liabilities relating to Domestic Business Employees who do not become Domestic Transferred Employees;

(v) all Liabilities for Taxes of LBHI for any Tax periods (or portions thereof) ending before, on or after the Closing Date;

(vi) all Liabilities arising out of or related to any failure by LBHI to act in accordance with this Agreement on or prior to or after the Closing Date; and

(vii) all Liabilities based upon events or conditions occurring prior to the Closing which arise out of or relate to any present or former officer, director or employee of LBHI or the LBHI Subsidiaries who continue as an officer, director or employee of LAMCO or any of its Subsidiaries on the Closing Date.

(e) After the Closing, in accordance with Section 2.03, LAMCO Holdings, LAMCO International and LAMCO shall jointly and severally defend and indemnify LBHI, LBHI SPV, each of their Affiliates and each of their respective officers, directors employees, partners, members, agents and advisors in respect of, and hold each of them harmless from and against, any and all Losses suffered, incurred or sustained by any of them or to which any of them becomes subject, resulting from, arising out of or relating to (i) any breach of representation or warranty or nonfulfillment of or failure to perform any covenant or agreement on the part of LAMCO Holdings, LAMCO International or LAMCO contained in this Agreement or (ii) an Asset Management Liability.

(f) After the Closing, in accordance with Section 2.03, LBHI shall defend and indemnify LAMCO, LAMCO International, LAMCO Holdings, each of their Affiliates and each of their respective officers, directors employees, partners, members, agents and advisors in respect of, and hold each of them harmless from and against, any and all Losses suffered, incurred or sustained by any of them or to which any of them becomes subject, resulting from, arising out of or relating to (i) any breach of representation or warranty or nonfulfillment of or failure to perform any covenant or agreement on the part of LBHI contained in this Agreement or (ii) an LBHI Liability.

(g) Each of (i) LBHI for itself and on behalf of the LBHI Subsidiaries and (ii) LAMCO Holdings for itself and on behalf of its Subsidiaries hereby releases and forever holds harmless each other and its respective Subsidiaries from any liability, obligation or responsibility for any and all past actions or failures to take action, including any actions which may be deemed to have been negligent or grossly negligent, relating to or arising out of the operation or conduct of any businesses, assets or operations managed or operated by, or operationally related to, directly or indirectly, LBHI prior to the Closing (including the Asset Management Business or the Asset Management Assets), except for any liability, obligation or responsibility (1) of any party under this Agreement and the Ancillary Agreements or (2) of any party for any fraudulent act or willful and intentional misconduct.

Section 2.03. Indemnification Procedures.

(a) With respect to all Actions as to which any Person is entitled to be indemnified pursuant to this Agreement (each, an "**Indemnitee**") pursuant to Section 2.02, to the extent applicable, the indemnifying party (the "**Indemnifying Party**") will use its reasonable best efforts at its own cost to have itself substituted in the place of such Indemnitee and to have such Indemnitee removed as a party to such Actions as promptly as is reasonably practicable. Notwithstanding the foregoing, pending such substitution, and in cases where such substitution cannot be effected, such Indemnifying Party, after the Closing Date, will have the right to assume and direct the defense, prosecution or settlement of the Actions involved in accordance with the provisions of paragraph (c) hereof.

(b) Upon receipt by any Indemnitee of any demand for payment to a third party with respect to any Loss (i) which is not related to an Action and (ii) for which such Indemnitee is entitled to be indemnified pursuant to the provisions of Section 2.02 hereof, such Indemnitee shall promptly forward such demand to such Indemnifying Party with a request that such Indemnifying Party make such payment directly as provided in such demand and, if such Indemnifying Party fails to object within 30 days of receipt of such notice, such Indemnifying Party shall be deemed to have accepted liability for such demand. If such Indemnifying Party does so respond within 30 days and rejects such claim, in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such party under this Agreement and applicable law. Such Indemnifying Party shall pay directly any amounts payable hereunder with respect thereto, provided, however, that if it is impracticable or impermissible for such Indemnifying Party to make such payment, such Indemnitee may proceed to make such payment directly and such Indemnifying Party promptly will reimburse such Indemnitee for such amount.

(c) Any party seeking indemnification under this Section shall give prompt written notice to the Indemnifying Party of the commencement of any Action for which indemnification may be sought; provided, however, that the failure of any party to give notice as provided in this paragraph (c) shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent that such Indemnifying Party is actually materially prejudiced by such failure to give notice. The Indemnifying Party shall be entitled to assume the defense of any such Action; provided, however, that any such Indemnitee shall be entitled to participate in any such Action with counsel of its own choice but at its own expense, and provided, further, however, that such Indemnitee shall have the right to employ separate counsel to represent such Indemnitee if, in such Indemnitee's reasonable judgment, a conflict of interest between such Indemnitee and such Indemnifying Party exists with respect to such Action (the costs of such counsel to be borne by the Indemnifying Party). If such Indemnifying Party fails to assume the defense within a reasonable time, the Indemnitee may assume such defense upon notice to the Indemnifying Party and the reasonable fees and expenses of its attorneys will be covered by the indemnification provisions of Section 2.02. Any such Action may be compromised or settled in any manner by an Indemnifying Party without the consent of the Indemnitee, provided, however, that no such Action shall be compromised or settled in any manner which might adversely affect the interests of the Indemnitee without the prior written consent of such Indemnitee (which shall not be unreasonably withheld). Notwithstanding anything in this paragraph (c) to the contrary and without limiting the

generality of the foregoing, the Indemnifying Party shall not, without the prior written consent of the Indemnitee, (i) settle or compromise any Action or consent to the entry of any judgment which does not include as an unconditional term thereof the delivery by the claimant or plaintiff to the Indemnitee of a written release from all liability in respect of such Action or (ii) settle or compromise any Action in any manner that may materially and adversely affect the Indemnitee other than as a result of money damages or other money payments that are fully indemnified hereunder. No Action which has been assumed by the Indemnifying Party within a reasonable period of time in accordance with the terms of this Agreement shall be settled by the Indemnitee without the prior written consent of the Indemnifying Party.

(d) The amount which an Indemnifying Party is required to pay to any Indemnitee pursuant to Section 2.02 shall be net of the Net Proceeds of any insurance policy paid to the Indemnitee with respect to the applicable Loss, it being understood and agreed that, each of LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO will use its reasonable best efforts to collect on insurance coverage of insurance carriers as to which it is the insured party, without regard to whether it is the Indemnitee or the Indemnifying Party hereunder. For purposes of this Section 2.03, "**Net Proceeds**" shall mean the insurance proceeds actually received, less any actual, additional or increased premium for 24 months, deductibles, co-payments, other payment obligations (including attorneys' fees and other costs of collection) or the present value of any future cost which is quantifiable with reasonable certainty, that relates to or arises from the making of such insurance claim.

(e) In no event shall an Indemnifying Party be liable for punitive damages sustained or claimed by an Indemnitee except to the extent such damages arise from a third party claim. Losses shall be determined after taking into account any indemnity, contribution or other similar payment received by the Indemnitee from any third party with respect thereto.

Section 2.04. Exclusive Remedy. Following the Closing, Article II shall provide the sole and exclusive remedy for any and all claims under this Agreement. In furtherance of the foregoing, except as otherwise provided in Article II, the parties hereby waive, and release each other from, to the fullest extent permitted by applicable law, any and all other rights, defenses, claims and causes of action (including rights of contributions, if any) known or unknown, foreseen or unforeseen, which exist or may arise in the future, that it may have against LBHI or any of its Affiliates or LAMCO Holdings or any of its Affiliates, as the case may be, arising under or based upon any applicable law (including any such law arising under or based upon any securities law, common law or otherwise).

ARTICLE III

ADDITIONAL MATTERS RELATED TO THE CONTRIBUTION

Section 3.01. Certain Other Instruments and Agreements. (a) On or before the Closing Date, in connection with the transfers of Asset Management Assets

and the assumption of Asset Management Liabilities, LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO shall execute or cause to be executed by the appropriate entities such deeds, bills of sale, endorsements, consents, assignments, assumptions and other good and sufficient instruments of conveyance and assignment and assumption in form and substance reasonably satisfactory to the parties hereto as in such parties' reasonable judgment shall be necessary to effect the Contribution whereby LAMCO will assume the Domestic Asset Management Liabilities and LAMCO International will assume the International Asset Management Liabilities (each a "**Conveyancing and Assumption Instrument**").

(b) On or before the Closing Date, LBHI, LBHI SPV, LAMCO Holdings and LAMCO, as applicable, will enter (or cause their applicable Subsidiaries to enter) into the following agreements (collectively, the "**Ancillary Agreements**"): (i) the Shared Services Agreement substantially in the form of Exhibit A hereto (the "**Shared Services Agreement**"), (ii) the Asset Management Agreement substantially in the form of Exhibit B hereto, and (iii) the Amended and Restated Limited Liability Company Agreement of LAMCO Holdings substantially in the form of Exhibit C hereto.

Section 3.02. Construction of Agreements. Notwithstanding any other provisions of this Agreement to the contrary, in the event and to the extent that there shall be a conflict between the provisions of this Agreement or any Conveyancing and Assumption Instrument, on the one hand, and the provisions of any of the Ancillary Agreements, on the other hand, the provisions of such Ancillary Agreement shall prevail.

Section 3.03. No Representations or Warranties. LAMCO Holdings understands and agrees that LBHI and LBHI SPV, each individually, is not, in this Agreement, in any Ancillary Agreement or any Conveyancing and Assumption Instrument or in any other agreement or document contemplated by this Agreement, representing or warranting in any way (a) as to the value or freedom from encumbrance of, or any other matter concerning, any Asset Management Asset or any Asset Management Liability or (b) as to the legal sufficiency to convey title to any Asset Management Asset or the execution, delivery and filing of the instruments relating to the conveyance of title thereto, it being agreed and understood that all the Asset Management Assets are being transferred "as is, where is" and that LAMCO Holdings shall bear the economic and legal risk that any conveyances of such Assets shall prove to be insufficient or that LAMCO Holdings' title to any such Assets shall be other than good and marketable and free from encumbrances. Similarly, LAMCO Holdings understands and agrees that LBHI and LBHI SPV, each individually, is not, in this Agreement or in any other agreement or document contemplated by this Agreement, including any Conveyancing and Assumption Instrument, representing or warranting in any way that the obtaining of the consents or approvals, the execution and delivery of instruments and documents and the making of the filings and applications contemplated by this Agreement shall satisfy the provisions of all applicable agreements or the requirements of all applicable laws or judgments, it being agreed and understood that, subject to Section 2.02(b), 3.04 and 3.05 hereof, LAMCO Holdings shall bear the economic and legal risk that any necessary consents or approvals are not obtained or that any requirements of law or judgments are not complied with. LAMCO Holdings further represents that neither

LBHI, LBHI SPV, any of their Affiliates nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding the Asset Management Business, the Asset Management Assets, the Asset Management Liabilities or the transactions contemplated by this Agreement, and none of LBHI, LBHI SPV, any of their Affiliates nor any other Person will have or be subject to any liability to LAMCO Holdings or any other Person resulting from the contribution to LAMCO Holdings or its representatives or LAMCO Holdings' use of, any such information, including any confidential memoranda or other descriptions distributed on behalf of LBHI or LBHI SPV relating to the Asset Management Business or any of the Asset Management Assets or Asset Management Liabilities or other publications or information provided to LAMCO Holdings or its representatives, or any other document or information in any form provided to LAMCO Holdings or its representatives in connection with the sale of the Asset Management Business and the transactions contemplated hereby. LAMCO Holdings acknowledges that it has conducted to its satisfaction, its own independent investigation of the Asset Management Business, the Asset Management Assets and the Asset Management Liabilities and, in making the determination to proceed with the transactions contemplated by this Agreement, LAMCO Holdings has relied on the results of its own independent investigation.

Section 3.04. Further Assurances. Subject to the allocation of risk with respect to the Contribution set forth in Section 3.03 hereof, from and after the Closing Date (i) LBHI and LBHI SPV shall use their reasonable best efforts to execute and deliver to LAMCO Holdings and, where necessary, shall use their reasonable best efforts (which shall include the incurrence of reasonable expenses) to file or cause to be filed of record all such assignments, deeds, bills of sale and other instruments or documents as reasonably may be required and to make all filings with and to obtain all licenses, permits, authorizations, qualifications, orders, consents and approvals of Governmental Authorities and third parties necessary to effect the Contribution in accordance with Section 3.05 hereof and will take such action as LAMCO Holdings may reasonably request in order to effect the assignment, transfer, conveyance and delivery to LAMCO Holdings of all of LBHI's and LBHI SPV's right, title and interest in and to the Asset Management Assets and the Asset Management Business and to otherwise do all things necessary and proper in the reasonable judgment of LBHI, LBHI SPV and LAMCO Holdings to carry out the terms of this Agreement (ii) LAMCO Holdings shall execute and deliver to LBHI and LBHI SPV all instruments or documents which reasonably may be required in order to effect the assumption by LAMCO Holdings of the Asset Management Liabilities or otherwise required to complete the transactions contemplated hereby (iii) LAMCO shall execute and deliver to LAMCO Holdings all instruments or documents which reasonably may be required in order to effect the assumption by LAMCO of the Domestic Asset Management Liabilities or otherwise required to complete the transactions contemplated hereby and (iv) LAMCO International shall execute and deliver to LAMCO Holdings all instruments or documents which reasonably may be required in order to effect the assumption by LAMCO International of the International Asset Management Liabilities or otherwise required to complete the transactions contemplated hereby.

Section 3.05. Governmental and Third Party Filings, Consents and Approvals. (a) Subject to the allocation of risk with respect to the Contribution set forth in Section 3.03 hereof, prior to the Closing Date LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO shall use reasonable best efforts to (i) make all filings with and to obtain all licenses, permits, authorizations, qualifications, orders, consents and approvals of Governmental Authorities and third parties necessary to effect the Contribution, including obtaining any necessary consents for the assignment of any claim, contract, license, lease, commitment or any claim or right or any benefit arising thereunder or resulting therefrom which cannot be assigned without such consent, (ii) obtain amendments to any material Transferred Contracts from which other businesses or assets of LBHI as well as the Domestic Asset Management Business or Domestic Asset Management Assets directly derive a benefit in order to provide that LAMCO has only the rights and obligations under those contracts and other commitments that relate to the Domestic Asset Management Business or the Domestic Asset Management Assets, provided that any such amendment shall be satisfactory in form and substance to each party hereto and (iii) obtain amendments to any material contracts from which other businesses or assets of LBHI as well as the International Asset Management Business or International Asset Management Assets directly derive a benefit in order to provide that LAMCO International has only the rights and obligations under those contracts and other commitments that relate to the International Asset Management Business or the International Asset Management Assets, provided that any such amendment shall be satisfactory in form and substance to each party hereto. Notwithstanding anything to the contrary in this Agreement, in connection with obtaining consents or amendments from third parties, LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO shall not be required to (but may) pay any consideration or agree to any modification to any agreement that would impose additional Liabilities following the Closing.

(b) If any consents or amendments necessary pursuant to paragraph (a) above are not obtained, each party shall, subject to the provisions relating to the allocation of risk set forth in Section 3.03, take all other action as may be reasonably requested by the other party in order to place the parties or their appropriate Subsidiaries, insofar as reasonably possible, in the same position as would have existed had the consents or amendments been obtained as intended; provided, however, that neither party shall be required to obtain substitute space with respect to any space under any lease not so assigned. Whether or not all of the Domestic Asset Management Assets and the Domestic Asset Management Liabilities shall have been legally transferred to, or assumed by, LAMCO prior to the Closing Date, the parties agree that, subject to the preceding sentence, as of the Closing Date, LAMCO shall have, and shall be deemed to have acquired, complete and sole beneficial ownership over all of the Domestic Asset Management Assets, together with all of LBHI's, LBHI SPV's and LAMCO Holdings' rights, powers and privileges incident thereto, and shall be deemed to have assumed in accordance with the terms of this Agreement all of such Liabilities, and all of LBHI's, LBHI SPV's and LAMCO Holdings' duties, obligations and responsibilities incident thereto. Whether or not all of the International Asset Management Assets and the International Asset Management Liabilities shall have been legally transferred to, or assumed by, LAMCO International prior to the Closing Date, the parties agree that, subject to the first sentence of this Section 3.05(b), as of the Closing Date, LAMCO

International shall have, and shall be deemed to have acquired, complete and sole beneficial ownership over all of the International Asset Management Assets, together with all of LBHI's, LBHI SPV's and LAMCO Holdings' rights, powers and privileges incident thereto, and shall be deemed to have assumed in accordance with the terms of this Agreement all of such Liabilities, and all of LBHI's, LBHI SPV's and LAMCO Holdings' duties, obligations and responsibilities incident thereto. Notwithstanding anything to the contrary herein (other than the preceding sentence), in the event that immediately prior to the contribution described in Section 2.01(a) the requisite regulatory consents have not been obtained with respect to the contribution of the LBHI Estates Equity Interests (pursuant to Section 2.01(a)(x)) (the "**LBHI Estates Regulatory Consents**"), then the LBHI Estates Equity Interests shall not be contributed pursuant to Section 2.01(a)(x) and the LBHI Liabilities solely allocable to the LBHI Estates Equity Interests shall not be contributed pursuant to Section 2.02(a)(vii) and, for the avoidance of doubt, (i) the LBHI Estates Equity Interests shall not be included in the definition of International Asset Management Assets for the purpose of this Agreement and (ii) the LBHI Liabilities solely allocable to the LBHI Estates Equity Interests (as described in Section 2.02(a)(vii)) shall not be included in the definition of International Asset Management Liabilities for the purpose of this Agreement. In the event that the LBHI Estates Equity Interests and the LBHI Liabilities solely allocable to the LBHI Estates Equity Interests are not contributed pursuant to the previous sentence, LBHI, LBHI SPV, LAMCO Holdings and LAMCO International shall continue to use reasonable best efforts to obtain the LBHI Estates Regulatory Consents. To the extent that the LBHI Estates Regulatory Consents are obtained after the Closing, LBHI, LBHI SPV, LAMCO Holdings and LAMCO International shall take all requisite action to cause, as promptly as practicable, the LBHI Estates Equity Interests and the LBHI Liabilities solely allocable to the LBHI Estates Equity Interests to be contributed to LAMCO International in a manner consistent with the manner in which the LBHI Estates Equity Interests and the LBHI Liabilities solely allocable to the LBHI Estates Equity Interests would have been contributed pursuant to the terms of this Agreement if the LBHI Estates Regulatory Consents had been obtained prior to Closing.

Section 3.06. Books, Records and Access to Information. (a) From and after the Closing Date, upon reasonable notice from LBHI, LAMCO and LAMCO International shall give to LBHI and its successors and their authorized accountants, counsel and other designated representatives reasonable access (including using its reasonable best efforts to give access to third parties or firms possessing information) and duplicating rights during normal business hours, in a manner that does not unreasonably interfere with LAMCO's or LAMCO International's business, to all records, books, contracts, instruments, computer data and other data and information (collectively, "**Information**") within LAMCO's or LAMCO International's possession or control relating to LBHI or the LBHI Subsidiaries to the extent such access is reasonably required by LBHI or its successors. From and after the Closing Date, upon reasonable notice from LAMCO Holdings, LAMCO International or LAMCO, LBHI shall give to LAMCO Holdings, LAMCO International or LAMCO and their respective successors and their respective authorized accountants, counsel and other designated representatives reasonable access (including using its reasonable best efforts to give access to Persons possessing information) and duplicating rights during normal business hours, in a manner

that does not unreasonably interfere with LBHI's business, to Information retained or controlled by LBHI to the extent such access is reasonably required by LAMCO Holdings, LAMCO International or LAMCO or their respective successors. Information may be required under this Section for, among other things, audit, accounting, claims, litigation, regulatory and Tax purposes and for purposes of fulfilling disclosure and reporting obligations.

(b) Subject to this Section 3.06, at all times from and after the Closing Date, each party will use its reasonable best efforts to make available to the other, upon written request, their respective officers, directors, employees and agents as witnesses, in a manner that does not unreasonably interfere with each other's businesses, to the extent that the same may reasonably be required in connection with any Actions in which the requesting party may from time to time be involved (except in the case of an adversarial Action by one party against the other party (which shall be governed by such discovery rules as may be applicable thereto)).

(c) For a period of one year following the Closing Date, each party will use reasonable efforts to make available to a requesting party, during normal business hours and in a manner that will not unreasonably interfere with such party's business, its staff whenever and to the extent that they may reasonably be required in order to assist in effecting an orderly transfer of the Asset Management Assets and the Asset Management Liabilities, provided, however, that the services provided hereunder shall be of an occasional, non-repetitive nature, it being understood that transitional services generally are to be provided pursuant to the Shared Services Agreement.

(d) A party providing Information or witnesses to the other shall be entitled to receive from the other, upon the presentation of invoices therefor, payments for such amounts relating to supplies, disbursements, and other out-of-pocket expenses, as may be reasonably incurred in providing such information or witnesses.

(e) On or prior to the Closing Date, LBHI shall use its reasonable best efforts to deliver to LAMCO Holdings copies of corporate records and files that constitute Asset Management Assets. Except as otherwise agreed in writing, each party shall retain all Information, if any, relating to any other party, for the periods after the Closing Date applicable to the Information in question as set forth in LBHI's retention policy as of the date hereof. The parties shall retain any classes of information for any longer period which may be reasonably requested in writing by any party and specified in such request. Notwithstanding the foregoing, any party may destroy or otherwise dispose of any Information not in accordance with LBHI's retention policy as of the date hereof, provided that prior to such destruction or disposal (i) such party shall provide no less than 90 nor more than 120 days' prior written notice to the other party hereto of any such proposed destruction or disposal (which notice shall specify in detail which of the Information is proposed to be so destroyed or disposed of) and (ii) if a recipient of such notice shall request in writing (a "**Requesting Party**") prior to the scheduled date for such destruction or disposal that any of the Information proposed to be destroyed or disposed of be delivered to such Requesting Party, such party proposing the destruction or disposal shall promptly arrange for the delivery of such of the Information as was

requested by the Requesting Party (it being understood that all out-of-pocket costs associated with the delivery of the requested Information shall be paid by the Requesting Party).

(f) Any Information disclosed to a party (the "**Informed Party**") pursuant to the provisions of this Section will be kept confidential by such Informed Party, any of its Subsidiaries, Affiliates and the directors, officers, employees, representatives and controlling Persons, if any, of each and may not be disclosed unless (i) it becomes generally available to the public other than as a result of disclosure by such Informed Party or (ii) the Informed Party is required or ordered to disclose such Information (including by subpoena, interrogatory or other legal process); provided, however, that in the case of clause (ii) the Informed Party shall use its reasonable best efforts to obtain a protective or similar order if requested to do so by the Informing Party and to disclose only that portion of the Information which it believes is required to be disclosed.

Section 3.07. Bank Accounts. On or before the Closing Date, LAMCO, LAMCO International and LAMCO Holdings will open such bank accounts as LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO shall reasonably deem appropriate to provide for a smooth transition of the operation of the Asset Management Business following the Closing.

Section 3.08. No Intercompany Obligations. There are not any intercompany or interdivisional receivables, payables or loans in existence as of the date hereof between LBHI or any LBHI Subsidiary, on the one hand, and LAMCO Holdings and its Subsidiaries, on the other hand, and the parties shall not incur or create any such intercompany or interdivisional receivables, payables or loans prior to the Closing Date.

Section 3.09. Transfer Taxes. LBHI, LBHI SPV, LAMCO Holdings, LAMCO International and LAMCO each will defend, indemnify and hold harmless the other and each of their Affiliates and each of their respective officers and directors against all sales, use, stamp, documentary stamp, filing, recording, transfer or similar fees or Taxes or governmental charges (including (without duplication for the definition of "Taxes") any interest and penalty thereon) that are primarily their liability under applicable Tax law and are payable in connection with the Contribution.

ARTICLE IV

CLOSING

Section 4.01. Closing. Subject to the satisfaction of the conditions set forth in Section 4.02 hereof (or the waiver thereof by the party entitled to waive that condition), the closing of the Contribution provided for in Article II hereof (the "**Closing**") shall take place at the offices of Weil, Gotshal & Manges LLP located at 767 Fifth Avenue, New York, New York 10153 (or at such other place as the parties may designate in writing) at 10 a.m. (New York time) on the Business Day following the satisfaction or waiver of the conditions set forth in Section 4.02 (other than conditions

that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the parties hereto. The date on which the Closing shall be held is referred to in this Agreement as the "**Closing Date.**" Unless otherwise agreed by the parties in writing, the Closing shall be deemed effective and the Contribution shall have been consummated and be deemed effective as of 12:01 a.m. (New York time) on the Closing Date.

Section 4.02. Conditions Precedent. The respective obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing, of each of the following conditions:

(a) No statute, rule, regulation, executive order, decree, ruling, injunction or other order (whether temporary, preliminary or permanent) shall have been enacted, entered, promulgated or enforced by any Governmental Authority which prohibits, restrains or enjoins the consummation of the transactions contemplated by this Agreement or any of the Ancillary Agreements.

(b) The entry of the Bankruptcy Court Order.

ARTICLE V

EMPLOYEE MATTERS

Section 5.01. Domestic Transferred Employees. Upon the Closing Date, and effective upon the consummation of the Contribution, (i) all Domestic Business Employees who remain employed as of the Closing Date shall have their employment transferred to (the "Domestic Transferred Employees") and shall be deemed to automatically become employees of LAMCO, and (ii) LBHI shall have assigned to LAMCO and LAMCO shall have accepted assignment of the Domestic Transferred Employment Agreements; provided, however, that to the extent a Domestic Transferred Employee is party to an employment agreement that may not be unilaterally assigned pursuant to its terms or applicable law, LAMCO shall instead offer to any such Domestic Transferred Employee to assume such employment agreement effective as of the Closing Date on terms substantially comparable to those in effect between LBHI and such Domestic Transferred Employee immediately prior to the Closing Date. All Liabilities in respect of any Domestic Business Employee who does not become a Domestic Transferred Employee shall constitute LBHI Liabilities. All Liabilities relating to the Domestic Transferred Employees for periods from and after the Closing Date, as well as those Liabilities assumed by LAMCO under this Article V, shall constitute Domestic Asset Management Liabilities.

Section 5.02. Continued Participation in LBHI Employee Plans. From and after the Closing Date, the Domestic Transferred Employees and International Transferred Employees shall be eligible to continue participation in the LBHI Plans (subject to the terms of such plans, including the right to amend or terminate such plans, and any limitations established by LBHI from time to time, including any limitations intended to prevent duplication of benefits with new employee plans that may be

established by LAMCO) for so long as LAMCO and LBHI continue to be treated as a "single employer" within the meaning of Section 414(b) or Section 414(c) of the Code. LAMCO shall reimburse LBHI for all costs associated with such continued participation by Domestic Transferred Employees in the LBHI Plans as set forth in the Shared Services Agreement, and the foregoing obligation of LBHI shall be contingent upon LAMCO's compliance with such reimbursement requirement. Other than the provision of benefits under the LBHI Plans in accordance with this Section 5.02 and its obligations with respect to the LBHI Plans under the Shared Services Agreement, LBHI shall assume no obligation for, and LAMCO shall indemnify and hold LBHI harmless against, any and all Liabilities associated with the participation of the Domestic Transferred Employees in the LBHI Plans.

Section 5.03. Compensation. LAMCO shall assume all salary, bonus, employee benefits and severance payment obligations (including for any "Bonus Payments" as defined under the Domestic Transferred Employment Agreements), as well as related payroll tax obligations, due to be paid to the Domestic Transferred Employees on or after the Closing Date pursuant to the Domestic Transferred Employment Agreements or otherwise in accordance with Section 5.01, it being understood that such obligations shall include accrued salary obligations with respect to the Domestic Transferred Employees for the entire pay period in which the Closing Date falls, notwithstanding that LBHI employed the Domestic Transferred Employees during a portion of such period; provided however, that for the avoidance of doubt, all such obligations shall be subject to LBHI's payment obligations under the Asset Management Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Interpretation. When reference is made in this Agreement to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. The headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

Section 6.02. Amendment, Modification and Termination. This Agreement may be modified, amended or supplemented only in a writing executed by LBHI and LAMCO Holdings. Any material amendment, modification, supplement or waiver to this Agreement proposed to be made prior to the Termination Date shall require the prior approval of the Creditors' Committee. Notwithstanding the foregoing or any other provision of this Agreement, LBHI may unilaterally terminate this Agreement at

any time prior to the First Contribution without the consent of any other party (including the Creditors' Committee).

Section 6.03. Entire Agreement. This Agreement, including the schedules and exhibits hereto and together with the Ancillary Agreements, to the extent applicable, constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, between the parties hereto with respect to the subject matter hereof.

Section 6.04. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York (without regard to the principles of conflicts of laws thereof).

Section 6.05. Notices. Any and all notices, written consents or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile telephone number or email to the email address specified in this Section 6.05 prior to 5:00 p.m. (New York time) on a Business Day, (ii) the Business Day after the date of transmission, if such notice, written consent or communication is delivered via facsimile at the facsimile telephone number or email to the email address specified in this Section 6.05 later than 5:00 p.m. (New York time) on any date and earlier than 11:59 p.m. (New York time) on such date, (iii) when received, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice or written consent is required to be given. The address for such notices, written consents and communications shall be as follows:

If to LBHI or LBHI SPV:

Lehman Brothers Holdings Inc.
1271 Avenue of the Americas
New York, NY 10020
Attention: John Suckow
Email: john.suckow@lehmanholdings.com

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

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
Attention: Michael Lubowitz
Facsimile: (212) 310-8007
Email: michael.lubowitz@weil.com

If to LAMCO Holdings or LAMCO:

LAMCO Holdings LLC
1271 Avenue of the Americas
New York, NY 10020
Attention: William Gordon
Email: wgordon@alvarezandmarsal.com

If to LAMCO International:

LAMCO Holdings International B.V.
1271 Avenue of the Americas
New York, NY 10020
Attention: William Gordon
Email: wgordon@alvarezandmarsal.com

Section 6.06. Assignment; Successors and Assigns. This Agreement may not be assigned by any party or by operation of law or otherwise without the prior written consent of each of the other parties (which consent may be granted or withheld in the sole discretion of such other party, as the case may be). Subject to the preceding sentence, this Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

Section 6.07. No Third Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto and their respective Subsidiaries and, with respect to the provisions of Article II hereof, their respective directors, officers and Affiliates, and should not be deemed to confer upon any other third parties (other than the Creditors' Committee which shall, until the Termination Date, be a third-party beneficiary of this Agreement with rights to enforce the obligations of the parties hereto) any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

Section 6.08. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 6.09. Injunctive Relief. Damages at law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement, and, accordingly, any party hereto shall be entitled to injunctive relief with respect to any such breach, including specific performance of such covenants, promises or agreements or an order enjoining a party from any threatened, or from the continuation of any actual, breach of the covenants, promises or agreements contained in this

Agreement. The rights set forth in this Section 6.09 shall be in addition to any other rights which a party may have at law or in equity pursuant to this Agreement.

Section 6.10. Submission to Jurisdiction; Consent to Service of Process.

(a) 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 hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court and shall receive notices at such locations as indicated in Section 6.05 hereof; provided, however, that if the Bankruptcy Case has closed, the parties 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 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 of the parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the parties hereto hereby consents to process being served by any party to this Agreement in any suit, action or proceeding by delivery of a copy thereof in accordance with the provisions of Section 6.05.

Section 6.11. Waiver of Right to Trial by Jury. Each party to this Agreement waives any right to trial by jury in any action, matter or proceeding regarding this Agreement or any provision hereof.

Section 6.12. Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF the parties hereto execute this Agreement as of the date first above written.

LEHMAN BROTHERS HOLDINGS INC.

_____

Name:
Title:

LBHI LAMCO HOLDINGS LLC

_____

Name:
Title:

LAMCO HOLDINGS LLC

_____

Name:
Title:

LAMCO LLC

_____

Name:
Title:

LAMCO HOLDINGS INTERNATIONAL B.V.

_____

Name:
Title: