

**SHARE PURCHASE AGREEMENT**

THIS SHARE PURCHASE AGREEMENT (the "Agreement") is dated as of February 28, 2011, by and among Lehman Brothers Holdings Inc., a Delaware corporation ("LBHI") and Lehman Commercial Paper Inc., a New York corporation ("LCPI" and, together with LBHI collectively, the "Lehman Entities"), and Quadrant Structured Products Company, Ltd., a Cayman Islands exempted company (the "Buyer").

**RECITALS**

A. On and after September 15, 2008, LBHI and certain of its affiliates (collectively, the "Debtors") commenced the Bankruptcy Cases (as defined below) in the Bankruptcy Court (as defined below).

B. LBHI is the record owner of 80,000 Class A Shares (the "Shares") of the Buyer.

C. LCPI holds an interest in the Shares.

D. The Lehman Entities desire to sell, and the Buyer desires to purchase, all of the Shares on the terms and subject to the conditions contained in this Agreement.

E. The members of the Company have approved an amendment to the Articles of Association of the Buyer (the "Articles") to authorize the Buyer to repurchase its own shares and to authorize the purchase of the Shares by the Buyer in the manner and on the terms of this Agreement.

G. The Buyer, LBHI and each of the other shareholders of the Buyer entered into a Shareholders Agreement dated as of October 3, 2007 (the "Shareholders Agreement") and each of the parties to that agreement (other than the Buyer) have entered into an agreement to waive any rights they might otherwise have had under the Shareholders Agreement to the transactions contemplated by this Agreement and to memorialize certain other agreements among the parties (the "Modification Agreement"), a copy of which is attached hereto as Exhibit A.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements set forth herein, the parties hereby agree as follows:

**ARTICLE I**  
**DEFINITIONS**

For purposes of this Agreement:

"Affiliate" means, with respect to any Person, any Person that directly or indirectly controls, is controlled by or is under common control with such Person.

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

“Bankruptcy Cases” means the chapter 11 cases of each of the Debtors, which have been administratively consolidated in Case No. 08-13555 in the United States Bankruptcy Court for the Southern District of New York.

“Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York.

“Buyer” has the meaning set forth in the preamble.

“Class A Shares” means the voting, participating shares, with a par value of \$0.01 per share, of the Buyer designated as Class A Shares.

“Closing” has the meaning set forth in Section 3.1.

“Closing Date” has the meaning set forth in Section 3.1.

“Encumbrances” means claims, liens, pledges, offsets, set-offs, recoupments, charges, successor, product, environmental, tax, and other liabilities (whether secured or unsecured, contingent or absolute, liquidated or unliquidated, perfected or unperfected, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded), taxes, security interests, mortgages, restrictions, indentures, loans, credit agreements, other agreements, interests under any agreements (including repurchase agreements), instruments, contracts, judgments, and orders of any court or governmental department, commission, board, agency, or instrumentality, domestic or foreign, and any actions and proceedings of any kind or nature, but excluding any restrictions on the Shares imposed by the Shareholders Agreement.

“Escrow Agent” has the meaning set forth in Section 2.3.

“Escrow Agreement” means the Escrow Agreement of even date herewith among the Buyer, the Lehman Entities and the Escrow Agent.

“Escrow Amount” has the meaning set forth in Section 2.3.

“Escrow Deadline” has the meaning set forth in Section 2.3.

“Escrow Instruction” means the joint written instructions contemplated by Section 3(b) of the Escrow Agreement instructing the Escrow Agent to deliver the Purchase Price as specified in Section 2.3(a) of this Agreement.

“Final Order” means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction that has not been reversed, stayed, modified or amended, and as to which the time to appeal, seek reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, seek a new trial, reargument or rehearing and, where applicable, petition for certiorari has expired and no appeal, motion for reconsideration under Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure, motion for a new trial, reargument or rehearing or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, or as to which any motion for

reconsideration that has been filed pursuant to Rule 59(b) or 59(e) of the Federal Rules of Civil Procedure or any motion for a new trial, reargument or rehearing has been resolved by the court in which such motion was filed; provided, however, that the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024, or any analogous rule, may be filed relating to such order or judgment shall not cause such order or judgment not to be a Final Order.

“Indemnitee” has the meaning set forth in Section 6.5.

“Lehman Board” means the board of directors of LBHI.

“Motion” means a motion to the Bankruptcy Court seeking approval of this Agreement and entry of the Sale Order, which motion will be in substantially the form attached hereto as Exhibit B.

“Order” means any order, judgment, ruling, injunction, assessment, award, decree or writ of any Governmental Authority.

“Person” means any individual, sole proprietorship, partnership, corporation, limited liability company, joint venture, unincorporated society or association, trust or other legal entity or Governmental Authority.

“Purchase Price” has the meaning set forth in Section 2.2.

“Release” means a mutual release in substantially the form attached hereto as Exhibit C.

“Sale Order” means an order of the Bankruptcy Court approving this Agreement and the transactions contemplated hereby in substantially the form attached hereto as Exhibit D, with any revisions, in form and substance reasonably satisfactory to the Buyer.

“Shares” has the meaning set forth in the recitals.

“Tax Matters Partner” shall mean Martin Nance or any successor Tax Matters Partner of the Buyer pursuant to the Buyer’s articles of association.

## ARTICLE II PURCHASE AND SALE

2.1 Purchase and Sale of the Shares. On the terms and subject to the conditions contained in this Agreement, at the Closing, the Buyer will purchase from the Lehman Entities, and the Lehman Entities will sell, transfer, assign, convey and deliver to the Buyer, free and clear of all Encumbrances, the Shares and all interests therein held by the Lehman Entities, for the consideration described in Section 2.2.

2.2 Consideration. The purchase price for the Shares is \$90.0 million (the “Purchase Price”), payable in cash at the Closing as set forth herein.

2.3 Purchase Price Escrow. No later than 5:00 p.m. on the third business day after execution of this Agreement (the “Escrow Deadline”), pursuant to the terms of the Escrow Agreement, the Buyer will deposit with U.S. Bank National Association, in its capacity as escrow agent (the “Escrow Agent”), the sum of \$90.0 million by wire transfer of immediately available funds (the “Escrow Amount”), to be released by the Escrow Agent and delivered to either the Buyer or the Lehman Entities, in accordance with the provisions of the Escrow Agreement. Pursuant to the Escrow Agreement, the Escrow Amount and all accrued investment income thereon will be distributed as follows:

(a) if the Closing occurs, the Escrow Amount will be delivered to the Lehman Entities in payment of the Purchase Price at the Closing and all accrued investment income thereon will be delivered to the Buyer at the Closing.

(b) if this Agreement is validly terminated pursuant to Section 8.1, the Escrow Amount and all accrued investment income thereon will be delivered to the Buyer, without the need of any further Order of the Bankruptcy Court.

2.4 Cancellation of Shares. The Shares purchased shall be cancelled upon the Closing and the amount of the Company’s issued share capital shall be diminished by the nominal value of the Shares.

### ARTICLE III CLOSING AND DELIVERIES

3.1 Closing. The closing of the transactions contemplated hereby (the “Closing”) will take place at the offices of Jones Day, 222 East 41<sup>st</sup> Street, New York, New York 10017, as soon as possible, but in no event later than two (2) business days, after satisfaction or waiver of the conditions set forth in Article VII (other than those conditions that are to be satisfied at the Closing) or on such other date or at such other time and place as the parties mutually agree in writing (the “Closing Date”). All actions to be taken and all documents to be executed and delivered by all parties at the Closing will be deemed to have been taken and executed simultaneously and no actions will be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

3.2 Deliveries by LBHI. At the Closing, LBHI will deliver to the Buyer the following items:

- (a) a duly executed Escrow Instruction;
- (b) a duly executed Modification Agreement, dated as of the date hereof; and
- (c) a duly executed Release, dated as of the Closing Date.

3.3 Deliveries by LCPI. At the Closing, LCPI will deliver to the Buyer the following items:

- (a) a duly executed Escrow Instruction; and

(b) a duly executed Release, dated as of the Closing Date.

3.4 Deliveries by the Buyer. At the Closing, the Buyer will deliver to the Lehman Entities the following items:

- (a) a certified copy of resolutions of the shareholders amending the Articles and authorizing the repurchase of the Shares on the terms of this Agreement;
- (b) a certified copy of resolutions of the directors authorizing the transactions contemplated hereby;
- (c) a duly executed Escrow Instruction;
- (d) a duly executed Modification Agreement, dated as of the date hereof; and
- (e) a duly executed Release, dated as of the Closing Date.

#### ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE LEHMAN ENTITIES

Each of the Lehman Entities represents and warrants to the Buyer:

4.1 Organization and Power. Each of the Lehman Entities is a corporation duly incorporated, validly existing and in good standing under the Laws of the state of its incorporation. Subject to entry of the Sale Order, each of the Lehman Entities has all requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

4.2 Authorization. Subject to the approval of the Lehman Board and the entry of the Sale Order, this Agreement has been duly authorized, executed and delivered by each of the Lehman Entities and no additional proceedings on the part of either of the Lehman Entities or any Affiliate thereof are necessary to authorize the consummation of this Agreement or the transactions contemplated hereby.

4.3 Binding Effect. Subject to the approval of the Lehman Board and the entry of the Sale Order, this Agreement constitutes a valid and binding agreement of each of the Lehman Entities, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

4.4 Noncontravention. Subject to the approval of the Lehman Board and the entry of the Sale Order, the execution, delivery and performance by each of the Lehman Entities of this Agreement and the consummation of the transactions contemplated hereby do not and will not (a) violate the organizational documents of either of the Lehman Entities, or of any of the terms, conditions or provisions of any judgment, Order, injunction, decree, agreement or instrument to which the Lehman Entities is a party, (b) violate any applicable law, or (c) require any consent or other action by any person or entity that has not already been obtained by the Lehman Entities.

4.5 Title. (i) The Lehman Entities are the legal and beneficial owners of the Shares, which they own free and clear of any Encumbrances that will not be removed by the entry of the Sale Order. (ii) There are no Encumbrances of any kind upon the Shares that will not be removed by the entry of the Sale Order and before the Closing under this Agreement. No person has claimed or would be entitled to claim to have the benefit of any Encumbrance in respect of the Shares. (iii) Upon payment in full therefor by the Buyer at the Closing, the Lehman Entities will transfer and deliver to the Buyer, or cause to be transferred and delivered to the Buyer, valid title to the Shares and all interests therein, free and clear of all Encumbrances (other than Encumbrances that arise by action of or with respect to the Buyer).

4.6 Litigation. Other than the Bankruptcy Cases, there is no action, suit, investigation or proceeding pending against, or to the knowledge of either of the Lehman Entities, threatened against or affecting, either of the Lehman Entities before any arbitrator or any governmental authority which, individually or in the aggregate, if determined or resolved adversely in accordance with the plaintiff's demands, could in any manner prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

4.7 Independent Investigation. Each of the Lehman Entities acknowledges that it has made the decision to sell the Shares and/or all interests therein held by such Lehman Entity for the Purchase Price based upon its independent analysis of the Buyer and after carefully considering all factors and variables involved. Each of the Lehman Entities acknowledges that no representations or warranties have been made by the Buyer or any other person, including any officers, directors, employees, shareholders, representatives or affiliates of the Buyer on behalf of the Buyer regarding the financial and/or business condition or prospects of the Buyer and that the Buyer disclaims any responsibility or obligation for disclosure to the Lehman Entities of any of the Buyer's future plans or prospects. Each of the Lehman Entities has had an opportunity to ask questions of and request additional information concerning the Buyer from representatives of the Buyer concerning the transactions contemplated by this Agreement and has received all answers and information requested. Each of the Lehman Entities has had a reasonable opportunity to consult with counsel of its own choosing (as well as tax and financial advisors of his own choosing) regarding this Agreement and the transactions contemplated hereby.

4.8 No Other Representations and Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE IV, NEITHER OF THE LEHMAN ENTITIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF THE SHARES OR THE BUYER OR ANY OF THE BUYER'S AFFILIATES OR ANY OF THEIR RESPECTIVE ASSETS, LIABILITIES OR OPERATIONS, INCLUDING WITH RESPECT TO MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. THE BUYER HEREBY ACKNOWLEDGES AND AGREES THAT, EXCEPT TO THE EXTENT SPECIFICALLY SET FORTH IN THIS ARTICLE IV AND EXCEPT IN THE CASE OF FRAUD OR INTENTIONAL MISREPRESENTATION, THE BUYER IS ACQUIRING THE SHARES ON AN "AS IS, WHERE IS" BASIS.

ARTICLE V  
REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Lehman Entities as follows:

5.1 Organization and Power. The Buyer is an exempted company duly formed, validly existing and in good standing under the laws of the Cayman Islands. The Buyer has all requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder.

5.2 Authorization. This Agreement has been duly authorized, executed and delivered by the Buyer and no additional proceedings on the part of the Buyer or any Affiliate thereof are necessary to authorize the consummation of this Agreement or the transactions contemplated hereby.

5.3 Binding Effect. This Agreement constitutes a valid and binding agreement of the Buyer, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

5.4 Noncontravention. The execution, delivery and performance by the Buyer of this Agreement and the consummation of the transactions contemplated hereby do not and will not (a) violate in any material respect the organizational documents of such party or (b) violate in any material respect any applicable law.

5.5 Litigation. There is no action, suit, investigation or proceeding pending against, or to the knowledge of the Buyer, threatened against or affecting, the Buyer before any arbitrator or any governmental authority which, individually or in the aggregate, if determined or resolved adversely in accordance with the plaintiff's demands, could in any manner prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

ARTICLE VI  
COVENANTS

6.1 Commercially Reasonable Efforts; Further Assurances. Subject to the terms and conditions of this Agreement and applicable law, including the exercise of the Lehman Entities' fiduciary duties, the Buyer and the Lehman Entities will use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under applicable laws and regulations to consummate the transactions contemplated by this Agreement.

6.2 Sale Order. As promptly as practicable following the execution of this Agreement, the Lehman Entities will file the Motion with the Bankruptcy Court and, subject to the terms and conditions of this Agreement and applicable law, including the exercise of the Lehman Entities' fiduciary duties, the Lehman Entities will thereafter pursue diligently the entry of the Sale Order. The Buyer agrees that it will promptly take such actions as are reasonably requested by the Lehman Entities to assist in obtaining entry of the Sale Order. If the entry of the Sale Order is appealed, subject to the terms and conditions of this Agreement and applicable

law, including the exercise of the Lehman Entities' fiduciary duties, the Lehman Entities will use their reasonable best efforts to defend such appeal and the Buyer agrees that it will promptly take such actions as are reasonably requested by the Lehman Entities to assist in defending such appeal.

6.3 Minority Rights. Effective upon the deposit by the Buyer of the Escrow Amount with the Escrow Agent:

(a) LBHI hereby agrees to forbear from exercising any approval right granted to LBHI under subparagraphs (iv) and (vii) of Section 2.11(a) of the Shareholders Agreement with respect to any actions to be taken by the Buyer.

(b) LBHI agrees to forbear from exercising any approval right granted to LBHI under subparagraph (ix) of Section 2.11(a) of the Shareholders Agreement with respect to any action to be taken by the Buyer pursuant to Paragraph 3 and Paragraph 4 of the Modification Agreement.

(c) LBHI hereby agrees to forbear from exercising its approval right under subparagraph (ii) of Section 2.11(a) of the Shareholders Agreement with respect to any modification of the Constituent Documents (as defined in the Shareholders Agreement) in furtherance of any action permitted to be taken without approval of LBHI under (a) and (b) of this Section 6.3 and not otherwise inconsistent with the Shareholders Agreement.

(d) LBHI hereby agrees to forbear from exercising its approval right under subparagraph (xii) of Section 2.11(a) of the Shareholders Agreement with respect to any action permitted to be taken by the Buyer without approval of LBHI under (a), (b) and (c) of this Section 6.3.

The provisions of this Section 6.3 will terminate upon the termination of this Agreement, *provided* that LBHI agrees to forbear from exercising any approval right granted to LBHI under subparagraphs (ii), (iv), (vii), (ix) and (xii) of Section 2.11(a) or from disavowing the effectiveness of the Modification Agreement with respect to any action (or related group of actions) by the Buyer which the Buyer has committed or agreed to undertake pursuant to this Section 6.3 prior to the termination of this Agreement. LCPI hereby confirms that it is not a party to, and has no rights under, the Shareholders Agreement.

6.4 D&O Insurance. The Buyer agrees that it will not, for a period of 3 years following the Closing, significantly modify its directors' and officers' liability insurance and fiduciary liability insurance coverage.

6.5 Indemnification.

(a) The Lehman Entities hereby agree, jointly and severally, to indemnify, defend and hold Buyer and each of its shareholders, officers, directors, employees, agents, affiliates, representatives, managers, administrators, trustees and attorneys and their respective successors and assigns (collectively, the "Indemnitees") harmless from and against any damages, losses, liabilities or expenses incurred by any of the



Indemnitees (including, but not limited to, reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third party claim or a claim solely among the parties hereto and any incidental, indirect or consequential damages, losses, liabilities or expenses, and any lost profits or diminution in value) ("Losses") as a result of or arising out of a breach of the representations and warranties set forth in Section 4.5 of this Agreement, up to a maximum aggregate amount equal to the Purchase Price. If any action or proceeding is instituted or demand made involving any Indemnatee for which indemnification is to be sought hereunder by such Indemnatee, then such Indemnatee will promptly notify the Lehman Entities of the commencement of any such action or proceeding; provided, however, that the failure so to notify the Lehman Entities will not relieve the Lehman Entities from any liability that they may have to such Indemnatee pursuant to this Agreement except to the extent that the Lehman Entities have been materially prejudiced by such failure. Following such notification, the Lehman Entities shall be entitled to participate in any such action or proceeding and may elect to control and appoint lead counsel for such action or proceeding, in each case at their own expense, in accordance with the provisions of this Section 6.5 and with counsel reasonably satisfactory to the Indemnatee. Prior to assuming control of such action, the Lehman Entities must acknowledge that the Lehman Entities would have an indemnity obligation for any Losses resulting from such action as provided under this Section 6.5 and furnish the Indemnatee with reasonable evidence that the Lehman Entities have adequate resources to defend the action and fulfill any indemnity obligations hereunder. Upon any such election to assume control of such action or proceeding, the Lehman Entities will not be liable for any legal costs or expenses subsequently incurred by such Indemnatee (other than reasonable costs of investigation, providing evidence and monitoring the action or proceeding) in connection therewith, unless (i) the Lehman Entities have failed to provide counsel reasonably satisfactory to such Indemnatee in a timely manner, (ii) counsel provided by the Lehman Entities reasonably determines that its representation of such Indemnatee would present it with a conflict of interest, or (iii) the Indemnatee reasonably determines that there are or may be legal defenses available to it which are different from or in addition to those available to the Lehman Entities, in which case the Indemnatee shall have the right to select other counsel reasonably acceptable to the Lehman Entities to represent the Indemnatee and such other counsel shall be required to coordinate with counsel representing the Lehman Entities. The Lehman Entities shall not settle any pending or threatened proceeding in respect of which any Indemnatee is a party or for which indemnification hereunder could have been sought without such Indemnatee's written consent unless such settlement includes an unconditional release of the Indemnatee from all liability arising out of such proceeding and such settlement does not impose any injunctive or other equitable relief against such Indemnatee. If the Lehman Entities have elected to control any action or proceeding in accordance with this Section 6.5, the Lehman Entities shall not be liable for any settlement of any such action or proceeding effected without their written consent. In connection with any one action or proceeding, the Lehman Entities will not be responsible for the fees and expenses of more than one separate law firm (in addition to Cayman counsel) for all Indemnitees.

(b) The Lehman Entities' obligations under this Section 6.5 hereof to indemnify the Indemnitees (the "Indemnification Obligations") shall constitute an

allowed administrative expense claim in the Bankruptcy Case of each of the Lehman Entities pursuant to section 503(b) of title 11 of the United States Code (the “Bankruptcy Code”) and shall be payable by the Lehman Entities in the ordinary course without the need for (i) further Order of the Bankruptcy Court or (ii) the Indemnitees to file an administrative proof of claim. Except as expressly provided in the Sale Order or in this Agreement, the Indemnification Obligations and all rights and remedies of the Indemnitees granted herein shall survive, and shall not be modified, impaired or discharged by (i) the entry of an Order converting the Bankruptcy Case of either of the Lehman Entities to a case under chapter 7, dismissing any Bankruptcy Case, terminating the joint administration of the Bankruptcy Cases or by any other act or omission or (ii) the entry of an Order confirming a chapter 11 plan in the Bankruptcy Case of either of the Lehman Entities and, pursuant to section 1141(d)(4) of the Bankruptcy Code, the Lehman Entities have waived any discharge as to any remaining Indemnification Obligations. The terms and provisions of this Section 6.5 shall continue in the Bankruptcy Cases, in any successor cases if the Bankruptcy Cases cease to be jointly administered, or in any superseding chapter 7 cases under the Bankruptcy Code, and the Indemnification Obligations and all other rights and remedies of the Indemnitees granted by the Section 6.5 hereof shall continue in full force and effect until the third anniversary of the Closing.

6.6 U.S. Tax Matters. The Buyer agrees that for U.S. federal income tax purposes, the Lehman Entities' share of the income, gain, loss, and deductions for the taxable year of the Buyer that includes the Closing Date shall be determined on the basis of an interim closing of the books of the Buyer on the Closing Date as reasonably determined by the Tax Matters Partner and shall not be based on a proration of such items for the entire taxable year.

## ARTICLE VII CONDITIONS TO CLOSING

7.1 Conditions to Obligations of the Lehman Entities. The obligations of the Lehman Entities to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver (if permitted by applicable law) at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of the Buyer set forth in this Agreement shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date.

(b) Each of the agreements and covenants of the Buyer to be performed and complied with by the Buyer pursuant to this Agreement prior to the Closing Date shall have been duly performed and complied with in all material respects.

(c) The Buyer shall have delivered to the Lehman Entities the items required by Section 3.4 of this Agreement.

(d) The Sale Order shall have been entered by the Bankruptcy Court and the Sale Order shall not have been reversed, vacated, stayed, restrained or enjoined.

(e) None of the parties hereto shall be subject to any Order of a court of competent jurisdiction that prohibits the consummation of the transactions contemplated by this Agreement.

7.2 Conditions to Obligations of the Buyer. The obligations of the Buyer to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver (if permitted by applicable law) at or prior to the Closing of each of the following conditions:

(a) The representations and warranties of the Lehman Entities set forth in this Agreement shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date, except for any representation or warranty of the Lehman Entities under Section 4.5 of this Agreement, which shall be true and correct in all respects as of the Closing Dates as though made on and as of the Closing Date.

(b) Each of the agreements and covenants of the Lehman Entities to be performed and complied with by the Lehman Entities pursuant to this Agreement prior to the Closing Date shall have been duly performed and complied with in all material respects.

(c) The Lehman Entities shall have delivered to the Buyer the items required by Section 3.2 of this Agreement.

(d) The Sale Order shall have been entered by the Bankruptcy Court, the Sale Order shall not have been reversed, vacated, stayed, restrained or enjoined and the Sale Order shall be a Final Order.

(e) There shall have been no Order or other action by a government authority which in any way modifies, amends, or alters the terms of Section 6.3 hereof.

(f) None of the parties hereto shall be subject to any Order of a court of competent jurisdiction that prohibits the consummation of the transactions contemplated by this Agreement.

## ARTICLE VIII TERMINATION OF AGREEMENT

8.1 Right to Terminate. This Agreement may be terminated at any time prior to the Closing Date:

(a) by the mutual written consent of the Buyer and the Lehman Entities;

(b) by either the Lehman Entities or the Buyer, upon written notice to the other party, if the transactions contemplated by this Agreement have not been consummated on or prior to May 1, 2011;

(c) by the Buyer, upon written notice to the Lehman Entities, if either of the Lehman Entities has breached or violated the terms of Section 6.3 of this Agreement or the Modification Agreement or if there is any Order or other action by a government authority which in any way modifies, amends, or alters the terms of Section 6.3 hereof or the Modification Agreement;

(d) by the Lehman Entities, upon written notice to the Buyer, if the Buyer has not deposited the Escrow Amount with the Escrow Agent prior to the Escrow Deadline; or

(e) by the Buyer, upon written notice to the Lehman Entities, if the Lehman Entities have not provided written notice to the Buyer by 5:00 p.m. Eastern Time, on March 15, 2011 that the Lehman Board has approved the transactions contemplated by this Agreement.

8.2 Effect of Termination. If this Agreement is validly terminated as provided herein, except as otherwise provided in Section 6.3 hereof, each of the parties will be relieved of its duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to the Buyer or the Lehman Entities; provided, however, that the nothing in this Section 8.2 will be deemed to release any party from liability for any breach of its obligations under this Agreement in any material respect.

## ARTICLE IX MISCELLANEOUS AND GENERAL

9.1 Publicity. None of the parties hereto will issue any press release concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other party hereto, which approval will not be unreasonably withheld or delayed, unless, in the judgment of the Buyer or the Lehman Entities, disclosure is otherwise required by applicable law or by the Bankruptcy Court, provided that the party intending to make such release will use commercially reasonable efforts consistent with such applicable law or Bankruptcy Court requirement to consult with the other party with respect to the text thereof.

9.2 Expenses. Whether or not the transactions contemplated by this Agreement are consummated, all costs and expenses (including all legal, accounting, broker, finder or investment banker fees) incurred in connection with this Agreement and the transactions contemplated hereby are to be paid by the party incurring such expenses. If any party hereto brings an action or proceeding hereunder to enforce the terms hereof, the prevailing party will be entitled to recover from the other party all of such prevailing party's attorneys' fees, costs and expenses incurred in such action or proceeding.

9.3 Joint and Several Liability; Reliance. Each Lehman Entity shall be jointly and severally liable for all obligations of any of the Lehman Entities arising under this Agreement. The Buyer shall be entitled to deal with and rely conclusively on any Lehman Entity as provided herein as if, and with the same effect as if, such Lehman Entity constituted both of the Lehman Entities.

9.4 Successors and Assigns. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns, but is not assignable by any party without the prior written consent of the other party hereto.

9.5 Third Party Beneficiaries. Each party hereto intends that this Agreement does not benefit or create any right or cause of action in or on behalf of any Person other than the parties hereto.

9.6 Further Assurances. The parties will execute such further instruments and take such further actions as may reasonably be necessary to carry out the intent of this Agreement. Each party hereto will cooperate affirmatively with the other party, to the extent reasonably requested by such other party, to enforce rights and obligations herein provided.

9.7 Notices. Any notice or other communication provided for herein or given hereunder to a party hereto must be in writing, and sent by facsimile transmission (electronically confirmed), delivered in person, mailed by first class registered or certified mail, postage prepaid, or sent by Federal Express or other overnight courier of national reputation, addressed as follows:

If to either Lehman Entity:

Lehman Brothers Holdings Inc.  
1271 Avenue of the Americas, 38<sup>th</sup> Floor  
New York, NY 10020  
Attention: Andrew Grapkowksi  
Fax No.: (917) 210-4011

with a copy (which will not constitute notice) to:

Jones Day  
222 E. 41<sup>st</sup> Street  
New York, New York 10017  
Attention: Robert C. Micheletto  
John K. Kane  
Fax No.: (212) 755-7306

If to the Buyer:

Quadrant Structured Products Company, Ltd.  
c/o Quadrant Structured Investment Advisers LLC  
301 Merritt 7  
Norwalk, CT 06851  
Attention: Martin Nance  
Fax No.: 203-663-8990

with a copy (which will not constitute notice) to:

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, New York 10017  
Attention: Juliet Cain  
Fax No.: (212) 450-3800

or to such other address with respect to a party as such party notifies the other in writing as above provided.

9.8 Complete Agreement. This Agreement and the schedule and exhibits hereto and the other documents delivered by the parties in connection herewith contain the complete agreement between the parties hereto with respect to the transactions contemplated hereby and thereby and supersede all prior agreements and understandings between the parties hereto with respect thereto.

9.9 Captions. The captions contained in this Agreement are for convenience of reference only and do not form a part of this Agreement.

9.10 Amendment; Waiver; Modifications. This Agreement may be amended, waived, or modified only by an instrument in writing duly executed by the Lehman Entities and the Buyer.

9.11 Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby will be governed by, and construed in accordance with, the laws of the State of New York, without regard to any other applicable conflict of law provisions (except Section 5-1401 of the New York General Obligations Law and any successor statute thereto).

9.12 Exclusive Jurisdiction. The Buyer and the Lehman Entities agree that all disputes arising hereunder will be resolved by the Bankruptcy Court which will have exclusive personal and subject matter jurisdiction over all disputes and other matters relating to the interpretation and enforcement of this Agreement or any ancillary document executed pursuant hereto, and Buyer expressly consents to and agrees not to contest such exclusive jurisdiction. If the Bankruptcy Court declines to exercise, or abstains from exercising, such jurisdiction, the Buyer and each of the Lehman Entities expressly consent to and agree not to contest the non exclusive personal and subject matter jurisdiction of the state and federal courts sitting in the County of New York, in the State of New York.

9.13 Non Recourse. No past, present or future director, officer, employee, incorporator, member, partner, stockholder, Affiliate, agent, attorney or representative of the parties hereto will have any liability for any obligations or liabilities of such party under this Agreement of or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby.

9.14 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms

and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision will be interpreted to be only so broad as is enforceable.

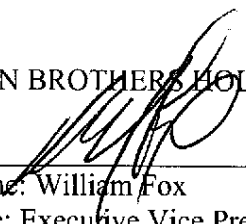
9.15 Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which will constitute but one instrument.

9.16 No Survival of Representations and Warranties. The representations and warranties contained in this Agreement will not survive the Closing hereunder and none of the parties will have any liability to each other after the Closing for any breach thereof; *provided* that, notwithstanding the foregoing, all representations and warranties of the Lehman Entities in Section 4.5 hereof will survive until the third anniversary of the Closing; *provided further* that if a claim for indemnification pursuant to Section 6.5 hereof has been made prior to the third anniversary of the Closing, the representation or warranty that is the subject of such claim shall survive until such claim is finally determined.

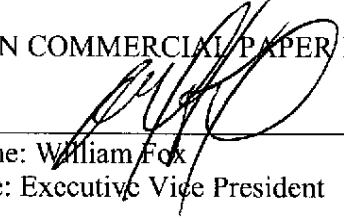
[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

LEHMAN BROTHERS HOLDINGS INC.

By:   
Name: William Fox  
Title: Executive Vice President

LEHMAN COMMERCIAL PAPER INC.

By:   
Name: William Fox  
Title: Executive Vice President

QUADRANT STRUCTURED PRODUCTS  
COMPANY, LTD.

By: \_\_\_\_\_  
Name:  
Title:



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

LEHMAN BROTHERS HOLDINGS INC.

By: \_\_\_\_\_  
Name: William Fox  
Title: Executive Vice President

LEHMAN COMMERCIAL PAPER INC.

By: \_\_\_\_\_  
Name: William Fox  
Title: Executive Vice President

QUADRANT STRUCTURED PRODUCTS  
COMPANY, LTD.

By: Martin Nance  
Name: MARTIN NANCE  
Title: COO & CFO

MODIFICATION AGREEMENT

This MODIFICATION AGREEMENT (this “Agreement”) dated as of February 28, 2011 under the Shareholders’ Agreement (the “Shareholders’ Agreement”) dated October 3, 2007, among Quadrant Structured Products Company, Ltd., a Cayman Islands exempted company (the “Company”), and the shareholders named therein. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Shareholders’ Agreement.

Reference is made hereby to the Share Purchase Agreement, dated as of the date hereof, by and among the Company, Lehman Brothers Holdings Inc., a Delaware corporation and Lehman Commercial Paper Inc., a Delaware corporation (the “Share Purchase Agreement”).

1. Each of the parties hereto hereby waives, to the fullest extent permitted by applicable law, any and all rights such party may have under the Shareholders’ Agreement with respect to the purchase of the Shares (as defined in the Share Purchase Agreement) by the Company on the terms and conditions of the Share Purchase Agreement.
2. For the purposes of Section 2.11 of the Shareholders’ Agreement, Article 49 of the Articles of Association of the Company (the “Articles”) and for all other purposes the parties hereby approve and consent to: (i) the amendment to the Articles contemplated by the written resolutions of the shareholders of the Company to be passed on or about the date hereof; and (ii) the repurchase by the Company of its shares on the terms of the Share Purchase Agreement.
3. For the purposes of Sections 2.02, 2.03, 2.05 and 2.08 of the Shareholders’ Agreement, each of the parties hereto agrees: (1) upon any vacancy on the Board resulting from the death, disability, retirement, resignation, removal or otherwise of any Director solely or jointly designated by the Lehman Class A Shareholders, the Lehman Class A Shareholders waive any right the Lehman Class A Shareholders may have to solely or jointly designate another Director to serve on the Board in his or her place; (2) the Magnetar Class A Shareholders shall have the sole right to nominate, appoint and designate a Director (a “Lehman Substitute Director”) to serve on the Board in the place of any Director solely or jointly designated by the Lehman Class A Shareholders; and (3) any such Lehman Substitute Director shall have all the rights and powers granted under the Shareholders’ Agreement and applicable law to any Director solely or jointly designated by the Lehman Class A Shareholders.
4. For the purposes of Section 2.10 of the Shareholders’ Agreement, each of the parties hereto agrees: (1) upon any vacancy on the board of directors of any Subsidiary of the Company (including without limitation the Bankruptcy Remote Subsidiary) resulting from the death, disability, retirement, resignation, removal or otherwise of any director solely or jointly designated to serve on the board of directors of such Subsidiary by the

Lehman Class A Shareholders, the Lehman Class A Shareholders waive any right the Lehman Class A Shareholders may have to solely or jointly designate a director to serve on the board of directors of such Subsidiary in his or her place; (2) the Magnetar Class A Shareholders shall have the sole right to nominate, appoint and designate another director (a "Lehman Substitute Subsidiary Director") to serve on the board of directors of such Subsidiary in the place of any director solely or jointly designated by the Lehman Class A Shareholders; and (3) any such Lehman Substitute Subsidiary Director shall have all the rights and powers granted under the Shareholders' Agreement and applicable law to any director solely or jointly designated by the Lehman Class A Shareholders to serve on the board of directors of such Subsidiary.

5. The provisions of Paragraph 3 and Paragraph 4 hereof shall terminate and cease to be of further effect upon the earlier of the Closing (as defined in the Share Purchase Agreement) or the termination of the Share Purchase Agreement pursuant to Article VIII of the Share Purchase Agreement. Upon the termination of the Share Purchase Agreement pursuant to Article VIII of the Share Purchase Agreement, the Magnetar Class A Shareholders and the Company shall take all necessary actions to cause the resignation or removal of any Lehman Substitute Director or any Lehman Subsidiary Substitute Director and to appoint in his or her place a director designated by the Lehman Class A Shareholders pursuant to the Shareholders' Agreement.
6. The Shareholders' Agreement shall be interpreted in a manner consistent with this Agreement.
7. Each party hereto agrees, upon the reasonable request of the Company or any other party hereto, at any time and from time to time, promptly to execute and deliver all such further documents, and promptly to take or forbear from all such action as may be reasonably necessary or appropriate in order to confirm or carry out the provisions of this Agreement.
8. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws rules of such state.
9. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed signature page to this Agreement by facsimile or other means of electronic transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

QUADRANT STRUCTURED  
PRODUCTS COMPANY, LTD.

By: \_\_\_\_\_  
Name:  
Title:

MAGNETAR MQ, LTD

By: \_\_\_\_\_  
Magnetar Financial LLC, its  
Investment Manager  
By: Name:  
Title:

LEHMAN BROTHERS HOLDINGS INC.

By: \_\_\_\_\_  
Name: William Fox  
Title: Executive Vice President

LEHMAN BROTHERS COMMERCIAL  
PAPER INC.

By: \_\_\_\_\_  
Name: William Fox  
Title: Executive Vice President

\_\_\_\_\_  
Eugene S. Park

\_\_\_\_\_  
Martin J. Nance

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Jason T. Morris

[Signature Page to the Modification Agreement]