

PROGRAM SERVICES AGREEMENT

This agreement (the “Agreement”) is entered into as of April 21, 2010, by and between Stone & Youngberg LLC, a California/limited liability company (“S&Y”), and Lehman Brothers Holdings Inc., Lehman Brothers Special Financing Inc., Lehman Brothers Commercial Paper Inc., Lehman Brothers Commodity Services Inc., Lehman Brothers Commercial Corporation, Lehman Brothers OTC Derivatives Inc., Lehman Brothers Financial Products Inc. and Lehman Brothers Derivatives Products Inc. (each, a “Lehman Entity” and collectively, “Lehman”), each a company incorporated under the laws of the State of Delaware and a debtor and debtor in possession under chapter 11 of the United States Code (the “Bankruptcy Code”) in a jointly administered case, Case No. 08-13555 (JMP) (the “Chapter 11 Cases”) pending in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).

Lehman desires to engage S&Y, and S&Y desires to be engaged by Lehman, to invest certain assets of Lehman, with the investment objective of purchasing certificates of deposit of specified sizes and maturities, such that all investments will be fully insured and guaranteed by the Federal Deposit Insurance Corporation at all times. In consideration of the mutual covenants herein, Lehman and S&Y agree as follows:

1. **Services.**

(a) Lehman retains S&Y to execute the purchase program described on Appendix A hereto (the “Purchase Program”), subject to the terms and conditions set forth therein. The Purchase Program consists of the purchase for the account or accounts of each of the Lehman Entities (each, an “Account” and collectively, the “Accounts”) of brokered certificates of deposit (“Instruments”) in such sizes and maturities as are described on Appendix A, and with such purchase amounts, terms and minimum yields as are communicated from time to time by Lehman to S&Y in writing in conjunction with the periodic Account reviews described in Appendix A. An authorized representative of Lehman will direct S&Y as to which Lehman Entity Instruments shall be purchased for and deposited in such Lehman Entity’s Account. Each of the Lehman Entities intends to maintain separate Accounts and Instruments. No Assets or Instruments of one Lehman Entity will be commingled or combined with the assets of another Lehman Entity. Subject to all of the foregoing parameters and limitations, each Lehman Entity grants S&Y full discretion to select which particular Instruments to cause its Accounts to purchase and sell to carry out the Purchase Program, and to determine the timing of each such transaction. Lehman acknowledges that, depending on market conditions and the guidelines established by Lehman, S&Y may be unable to complete the Purchase Program as described in Appendix A and such guidelines, and undertakes no obligation to do so. Notwithstanding anything to the contrary in this Agreement, S&Y shall have no obligation to perform any Services (as defined below) under this Agreement until (i) Lehman has obtained the approval of the Bankruptcy Court, as described in section 3(a)(i), to execute, deliver and perform its obligations under this Agreement, and (ii) the Bankruptcy Court has approved S&Y’s retention by Lehman under this Agreement and authorized Lehman to pay S&Y’s fees and expenses hereunder, as described in section 5.

(b) The services to be performed by S&Y under section 1(a) are referred to herein as the “Services.” S&Y is authorized to select and engage, at its own expense, one or

more independent contractors (each, an “Independent Contractor”) to assist it in providing the Services, (i) subject to Lehman’s prior written approval and (ii) on the condition that such Independent Contractors shall be subject to the terms and conditions set forth in sections 1(a), 1(c), 1(d), 1(e), 3(b)(ii), (iv) and (v), 4, 11, 12, 16, 17, and 23 of this Agreement and Appendix A. S&Y has engaged, and Lehman has approved, Structural Investment Management LLC as an Independent Contractor subject to this section 1(b).

(c) S&Y will take all reasonable actions to assist Lehman and the Custodian in legal proceedings and other actions, including bankruptcies or class actions, involving Instruments held in or formerly held in the Accounts or the issuers of Instruments that may be necessary to recover the value of the Instruments.

(d) Notwithstanding anything in this Agreement to the contrary, S&Y shall have no authority hereunder to take or have possession of any assets in the Accounts or to direct delivery of any Instruments or payment of any funds held in the Accounts to itself, or to direct any disposition of such Instruments or funds except to Lehman or for countervalue in accordance with the terms hereof.

(e) Each Lehman Entity retains all authority to exercise voting rights with respect to Instruments in its Accounts, and S&Y is expressly precluded from exercising voting rights with respect to such Instruments.

2. Custodian Account(s).

(a) Lehman shall have the right to appoint one or more custodians to act as custodian of the Accounts (collectively, the “Custodian”). Each of the Lehman Entities will maintain one or more separate Accounts with the Custodian. The Custodian shall be directed to comply with instructions from S&Y for the purpose of executing the Purchase Program, as provided in a custodian agreement. Lehman shall grant S&Y a limited power of attorney or take such other action as may be required by the Custodian to authorize S&Y to perform the Services with respect to the Accounts.

(b) Data. Lehman agrees promptly to furnish, or to cause the Custodian to furnish, to S&Y all data and information S&Y may reasonably request to render the Services described above, provided that Lehman’s failure to do so promptly shall not constitute a breach of this Agreement, and provided further that Lehman acknowledges that any such failure may materially affect S&Y’s ability to perform the Services.

3. Representations and Warranties.

(a) Each of the Lehman Entities represents and warrants to S&Y and agrees with S&Y as follows:

i. Such Lehman Entity has the requisite legal capacity and will seek to obtain authority from the Bankruptcy Court to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by such Lehman Entity and, upon approval of the Bankruptcy Court, is the legal, valid and binding agreement of such Lehman Entity, enforceable against it in accordance with its terms. Upon

approval of the Bankruptcy Court, such Lehman Entity's execution of this Agreement and the performance of its obligations hereunder do not conflict with or violate any provisions of the governing documents (if any) of such Lehman Entity or any obligations by which it is bound, whether arising by contract, operation of law or otherwise. Lehman will deliver to S&Y evidence of such Lehman Entity's authority and compliance with its governing documents on S&Y's request.

ii. Such Lehman Entity is the owner of its respective cash and Instruments in its Accounts, and the only restrictions on investment of the assets in its Account are those due to the Chapter 11 Cases, which restrictions are set forth in Appendix A.

iii. Such Lehman Entity is aware of the financial, business, tax and legal risks associated with the Purchase Program. Such Lehman Entity understands that S&Y is not responsible for determining the suitability of the Purchase Program for that Lehman Entity or any other person.

iv. At all times during the term of this Agreement, less than 25% of the assets of each Account, and of all Accounts in the aggregate, will be assets of employee benefit plans within the meaning of the Federal Employee Retirement Income Security Act of 1974, as amended.

v. The foregoing representations, warranties and agreements shall be continuing during the term of this Agreement and if at any time any event occurs that could reasonably be expected to make any of the foregoing incomplete or inaccurate, Lehman shall immediately notify S&Y of the occurrence of such event.

(b) S&Y represents and warrants to Lehman and agrees with Lehman as follows:

i. S&Y has the requisite legal capacity and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by S&Y and is the legal, valid and binding agreement of S&Y, enforceable against S&Y in accordance with its terms. S&Y's execution of this Agreement and the performance of its obligations hereunder do not conflict with or violate any provisions of the governing documents (if any) of S&Y or any obligations by which S&Y is bound, whether arising by contract, operation of law or otherwise. S&Y will deliver to Lehman evidence of S&Y's authority and compliance with its governing documents on Lehman's request.

ii. S&Y has been made aware of and acknowledges the restrictions imposed on Lehman's ability to invest its cash due to the Chapter 11 Cases, which restrictions are disclosed in Appendix A hereto. S&Y agrees that it shall in all instances comply with such limitations in providing the Services and shall make any Independent Contractors it may engage aware of such restrictions.

iii. S&Y is a registered investment advisor with the U.S. Securities and Exchange Commission. S&Y has obtained and will maintain in effect all necessary

regulatory approvals, authorizations or consents required by applicable law to act as an investment advisor to Lehman and to fulfill its obligations under this Agreement.

iv. S&Y and any Independent Contractor it may engage will not advise the entities issuing the Instruments under the Purchase Program that any Lehman Entity is the customer purchasing the Instruments. S&Y will immediately advise Lehman if S&Y becomes aware that any such entities learn of Lehman's involvement in the Purchase Program or of any setoff exercised against any Account or Instruments.

v. The foregoing representations, warranties and agreements shall be continuing during the term of this Agreement and if at any time any event occurs that could reasonably be expected to make any of the foregoing incomplete or inaccurate; S&Y shall immediately notify Lehman of the occurrence of such event.

4. Confidentiality.

(a) Except as required by law or requested by regulatory authorities, (i) S&Y agrees (A) to maintain in strict confidence all personal and financial information regarding Lehman that is furnished to S&Y by Lehman and (B) not to disclose that any Lehman Entity is the customer of the Instruments, and (ii) Lehman agrees to maintain in strict confidence all information furnished to Lehman by S&Y and any Independent Contractor.

(b) Lehman and Structural Investment Management LLC will enter into a confidentiality agreement substantially in the form annexed hereto as Appendix C. Lehman may require that any Independent Contractor to be engaged by S&Y pursuant to this Agreement enter into a similar confidentiality agreement with Lehman.

5. Fees. Lehman shall pay S&Y the fees set forth in Appendix B (the "Fees") for the period for which S&Y performs the Services or the post-termination services described in section 12. The Fees constitute full compensation to S&Y for all charges, costs and expenses incurred by S&Y on behalf of Lehman in purchasing Instruments for the Accounts, unless otherwise specifically agreed to in writing by Lehman. Lehman shall not be responsible for the fees, expenses, charges and costs of any Independent Contractors, including Structural Investment Management LLC, engaged by S&Y pursuant to section 1(b). S&Y will calculate the monthly Fees owed to it by Lehman, using the formula set forth in Appendix B, and will include such calculation in each monthly report it furnishes to Lehman under section 6. Lehman will pay to S&Y the Fee for each month, calculated in accordance with Appendix B, within 60 days of receipt by Lehman of that month's report from S&Y, subject to the following sentence. Both parties agree and acknowledge that due to the Chapter 11 Cases, Lehman may not pay such fees, expenses and other amounts until S&Y's retention is approved by the Bankruptcy Court and Lehman is authorized to pay S&Y's fees and expenses under this Agreement. S&Y agrees to promptly take all reasonable steps to be retained by Lehman in the Chapter 11 Cases and to comply with the requirements and obligations imposed on S&Y that are communicated by Lehman to S&Y as a result of such retention.

6. Reports.

(a) Lehman shall cause the Custodian to send to S&Y a daily Account statement at the end of each business day, identifying the amount of funds and each Instrument in each Account at the end of such day, and setting forth all transactions in the Accounts during that day.

(b) Within 5 business days after the end of each month, S&Y will deliver to Lehman and the Custodian a statement that (i) describes all Instruments purchased as of such month-end by S&Y for the Accounts in the Purchase Program, (ii) shows the percentage of the Purchase Program that has been completed as of such date, (iii) confirms that the restrictions imposed on the Purchase Program set forth in Appendix A have been and are being complied with and (iv) calculates the Fee owed for that month using the formula set forth in Appendix B. Upon completion of 25%, 50%, 75% and 100% of the Purchase Program for each of the one-year and two-year Instruments, S&Y shall deliver to Lehman a report that describes the average collective yield of the Accounts' aggregate portfolio. S&Y will work with the Custodian to provide such additional reports as are reasonably requested by Lehman from time to time.

7. Responsibility for Custodial Expenses. S&Y shall not be responsible for custodial fees, bank service fees, CUSIP fees or DTC fees associated with the Accounts or the Purchase Program.

8. Brokerage.

(a) Lehman understands that S&Y will select Instruments for the Accounts in a manner consistent with Section 1 and its fiduciary duties to Lehman, taking into account a number of factors, including, but not limited to, any transaction fees or expenses associated with certain Instruments. Although S&Y is registered as a broker-dealer, neither S&Y nor any of its affiliates will execute transactions for the Accounts or otherwise act as a broker for Lehman or the party on the other side of any purchase or sale of Instruments for the Accounts.

(b) If because of a prior relationship between Lehman and one or more sellers or purchasers of Instruments or for other reasons, Lehman has instructed S&Y to cause the Accounts to purchase or sell certain Instruments from such parties, Lehman represents and warrants that Lehman is satisfied with the terms and conditions of such purchases or sales. S&Y shall not have any responsibility for obtaining for the Accounts from any such party the best prices for Instruments purchased from or sold to such party. Lehman recognizes that in such cases Lehman may pay more or obtain lower sale prices for Instruments than it might if S&Y had discretion to buy and sell Instruments from other parties. Lehman agrees that if S&Y believes, in its exclusive discretion, that S&Y cannot satisfy its fiduciary duty by causing the Accounts to purchase or sell an Instrument from or to a party designated by Lehman, S&Y may transact with a different party. Lehman shall promptly inform S&Y in writing, either in a periodic Account review as described in Appendix A or otherwise, if Lehman desires that S&Y not transact with such different party.

9. Allocation of Investments. Lehman acknowledges and understands that S&Y engages in an investment advisory business apart from performing the Services. This will create

conflicts of interest with the Accounts over S&Y's time devoted to performing the Services, and S&Y's allocation of investment opportunities between the Accounts and the investment advisory client accounts it manages. Nothing in this Agreement shall be deemed to obligate S&Y to acquire for the Accounts any Instrument that it or its officers, managers, members, employees or affiliates may acquire for S&Y's or their own accounts or for the account of any other investment advisory client, if, in the reasonable discretion of S&Y, it is not practical or desirable to acquire such Instrument for the Accounts.

10. Account Losses. To the extent permitted under applicable law, Lehman agrees that S&Y will not be liable to any Lehman Entity for any losses incurred by any Lehman Entity that arise out of or are in any way connected with any recommendation or other act or failure to act of S&Y under this Agreement, including, but not limited to, any (a) failure to obtain the lowest transaction costs for the Accounts or failure to recapture any such costs for the benefit of the Accounts, (b) trade error made by any person in connection with any transaction on behalf of the Accounts, (c) negligent error in judgment with respect to the Account, or (d) tax liability asserted against any Lehman Entity by any federal, state or local authority as a result of any position taken by S&Y with respect to the Accounts, so long as such recommendation or other act or failure to act does not constitute bad-faith, self-dealing, gross negligence, willful misconduct or a breach of fiduciary duty by S&Y (for these purposes, a failure or error described in clauses (a) through (c) shall not be deemed a breach of S&Y's fiduciary duty). Lehman shall indemnify and defend S&Y, its officers, managers, members, employees and affiliates and hold them harmless from and against any and all claims, losses, damages, liabilities and expenses, as they are incurred, by reason of any act or omission of Lehman or any Custodian, broker, agent or other third party selected by an S&Y in a commercially reasonable manner or selected by Lehman, except such as arise from S&Y's breach of fiduciary duty to Lehman, bad-faith, self-dealing, gross negligence or willful misconduct. Anything in this section 10 or otherwise in this Agreement to the contrary notwithstanding, however, nothing herein shall constitute a waiver or limitation of any rights that Lehman may have under any federal or state securities laws.

11. No Setoff.

(a) S&Y hereby agrees that, with or without notice, it will not nor will it permit its affiliates to set-off, appropriate or apply any assets of the Accounts against any obligation owed by Lehman or any of its affiliates to S&Y or any of its affiliates in any capacity, whether such obligation is direct or indirect, absolute or contingent, matured or unmatured, and S&Y hereby irrevocably and unconditionally waives any and all rights to exercise any such right of set-off whether such rights arise by virtue of contract or law.

(b) S&Y further agrees to provide reasonable assistance at Lehman's request if Lehman seeks assurance that entities issuing Instruments agree not to setoff, appropriate or apply Lehman's investments or the proceeds thereof against any claims such parties, their affiliates or third-parties may have against Lehman.

12. Termination; Withdrawals. This Agreement may be terminated by any party with or without cause on 10 days' prior written notice to the other parties. In the event of a termination, S&Y shall be required to continue to monitor and track all Instruments in the Accounts until their maturity and to undertake all steps that may be necessary to recover the

proceeds of all investments made pursuant to this Agreement for Lehman; provided that Lehman shall continue to pay S&Y Fees under section 5, as calculated pursuant to Appendix B, for as long as S&Y continues to provide services under this sentence. The parties' respective obligations under Section 4(a) of this Agreement shall survive the termination, if any, of this Agreement and the parties will remain bound by Section 4(a) of this Agreement notwithstanding any such termination.

13. Delivery of Information. Each Lehman Entity acknowledges receipt of Part II of S&Y's Form ADV. If a Lehman Entity received such material less than 48 hours before signing this Agreement, that Lehman Entity may terminate this Agreement within 5 days from the effective date of this Agreement without penalty. On written request from Lehman, S&Y agrees to deliver annually, without charge, Part II of S&Y's Form ADV.

14. Independent Contractor. S&Y is and will hereafter act as an independent contractor and not as an employee of Lehman, and nothing in this Agreement may be interpreted or construed to create any employment, partnership, joint venture or other relationship between S&Y and Lehman or any holder of assets in the Accounts.

15. Assignment. S&Y may not assign this Agreement without the prior consent of Lehman. This Agreement shall bind and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

16. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to conflict of law principles.

17. Jurisdiction. Any suit, action, or proceeding against any party or any of its assets arising out of or relating to the Agreement shall be brought in the Bankruptcy Court, and each party hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court over the subject matter of any such suit, action, proceeding, dispute or controversy arising from or related to the Agreement. If the Bankruptcy Court abstains from exercising jurisdiction or does not have jurisdiction with respect to such suit, action, or proceeding, then the Courts of the State of New York and the United States District Court, in each case located in the County of New York, shall have exclusive jurisdiction in respect of such suit, action or proceeding.

18. Notices. All communications under this Agreement must be in writing and will be deemed duly given and received when delivered personally, when transmitted by e-mail, three days after being sent by first class mail, or one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, all charges or postage prepaid, properly addressed to the party to receive such notice at that party's address indicated below that party's signature on this Agreement, or at any other address that either party may designate by notice to the other. All communications to Lehman should be directed to Peter Cheston (pcheston@alvarezandmarsal.com) and Janet Birney (janet.birney@lehmanholdings.com). All communications to S&Y should be directed to Bill Post (bpost@syllc.com) and Bill Evans (bevans@syllc.com).

19. Amendment. This agreement, including the appendixes hereto, may only be amended by a written agreement executed by Lehman and S&Y.

20. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any and all other provisions hereof.

21. Entire Agreement. This Agreement (including the Purchase Program and Fee Schedule attached hereto) is the entire agreement of the parties and supersedes all prior or contemporaneous written or oral negotiations, correspondence, agreements and understandings (including any and all preexisting investment management agreements, which are hereby cancelled), regarding the subject matter hereof.

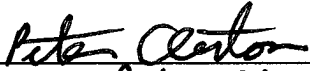
22. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

23. No Third-Party Beneficiaries. Neither party intends for this Agreement to benefit any third party not expressly named in this Agreement.

IN WITNESS WHEREOF, this Agreement has been duly signed by or on behalf of the parties hereto on the dates set forth below their respective signatures.

LEHMAN BROTHERS HOLDINGS INC.

STONE & YOUNGBERG LLC

By: 
Print Name: Peter Cheston
Title: SVP + Co Treasurer

By: _____
Print Name: _____
Title: _____

Dated: April 21, 2010
Address: 1271 Avenue of the Americas
New York, NY 10020
Telephone: 646-285-9134
Facsimile: 646-285-9318

Dated: April 21, 2010
Address: One Ferry Bldg, Ste. 275
San Francisco, CA 94111
Telephone: (415) 445-2300
Facsimile: (415) 445-2317

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LEHMAN BROTHERS HOLDINGS INC.

By: _____
Print Name: _____
Title: _____

STONE & YOUNGBERG, LLC

By: 
Print Name: WILLIAM A. EVANS
Title: MANAGING DIRECTOR
PRIVATE CLIENT GROUP

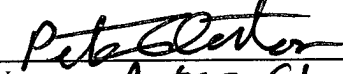
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New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

Dated: April 21, 2010
Address: One Ferry Bldg, Ste. 275
San Francisco, CA 94111

Telephone: (415) 445-2300
Facsimile: (415) 445-2317

LEHMAN BROTHERS SPECIAL FINANCING INC.


By: 
Print Name: Peter Chester
Title: Co - Treasurer

Dated: April 21, 2010

Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

LEHMAN BROTHERS COMMERCIAL PAPER INC.

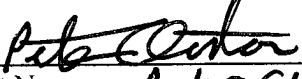
By: 
Print Name: Peter Chester
Title: Co - Treasurer

Dated: April 21, 2010

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New York, NY 10020

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LEHMAN BROTHERS COMMODITY SERVICES INC.

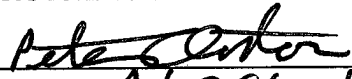
By: 
Print Name: Peter Chester
Title: Co-Treasurer

Dated: April 21, 2010

Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

LEHMAN BROTHERS COMMERCIAL CORPORATION


By: 
Print Name: Peter Chester
Title: Co-Treasurer

Dated: April 21, 2010

Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

LEHMAN BROTHERS OTC DERIVATIVES INC.

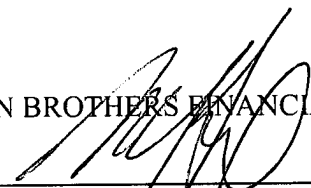
By: 
Print Name: Peter Chester
Title: Co - Treasurer

Dated: April 21, 2010

Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

LEHMAN BROTHERS FINANCIAL PRODUCTS INC.

By: 
Print Name: William J. Fox
Title: Chief Financial Officer, Controller and Senior Vice President

Dated: April 21, 2010

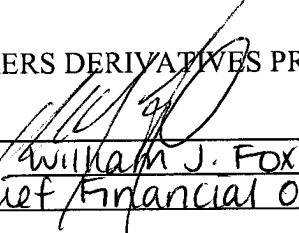
Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134
Facsimile: 646-285-9318

LEHMAN BROTHERS DERIVATIVES PRODUCTS INC.

By:

Print Name


William J. Fox

Title:

Chief Financial Officer, Controller and Senior Vice President

Dated: April 21, 2010

Address: 1271 Avenue of the Americas
New York, NY 10020

Telephone: 646-285-9134

Facsimile: 646-285-9318