

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

LEHMAN BROTHERS INC.,

Debtor.

Case No. 08-01420 (JMP) SIPA

**STIPULATION AND ORDER IN CONNECTION WITH THE RETURN TO
TCG HOLDINGS CAYMAN II LP
OF POST-PETITION MISDIRECTED TRANSFERS**

WHEREAS, on September 19, 2008 (the “Commencement Date”), a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”) and James W. Giddens was appointed as Trustee under the SIPA (the “Trustee”) to administer LBI’s estate (Case No. 08-01420, such proceeding, the “SIPA Proceeding”);

WHEREAS, after the Commencement Date, on March 30, 2011 (the “Transfer Date”), TCG Holdings Cayman II LP (the “Sender”) sent a wire transfer of US\$37,425.00 (“Transfer 1”) to LBI account ending 7403 at Citibank, N.A. (the “Receiving Institution”, such account the “LBI Account”) (FFC: Andrew Michael Rosenblum 2006 Trust (“Beneficiary 1”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$336,963.00 (“Transfer 2”) to the LBI Account (FFC: The Clayton Stuckey 2006 Trust (“Beneficiary 2”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$37,425.00 (“Transfer 3”) to the LBI Account (FFC: Diana Rachel Rosenblum 2006 Trust (Beneficiary 3”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$729,945.00 (“Transfer 4”) to the LBI Account (FFC: The Hillside 2006 Trust (“Beneficiary 4”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$37,471.00 (“Transfer 5”) to the LBI Account (FFC: James Benjamin Rosenblum 2006 Trust (“Beneficiary 5”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$ 44,928.00 (“Transfer 6”) to the LBI Account (FFC: The Linda Pace 2006 Irrevocable Family Trust (“Beneficiary 6”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$336,963.00 (“Transfer 7”) to the LBI Account (FFC: Lindsay Stuckey 2006 Trust (“Beneficiary 7”)), as represented to the Trustee by the Sender;

WHEREAS, on the Transfer Date, the Sender sent a wire transfer of US\$673,795.00 (“Transfer 8”) to the LBI Account (FFC: The Clare Children’s Trust (“Beneficiary 8”)), as represented to the Trustee by the Sender;

WHEREAS, the Sender notified the Trustee and represented that Transfer 1, Transfer 2, Transfer 3, Transfer 4, Transfer 5, Transfer 6, Transfer 7, and Transfer 8 (collectively, the “Transfers,” totaling US\$2,234,915.00) had been made in error and should have been transferred to another account;

WHEREAS, the Sender represented to the Trustee that it has already paid each Beneficiary with respect to its associated transfer (Transfers 1 through 8 collectively, the “Transfers”), thereby making each Beneficiary whole;

WHEREAS, the Sender, as subrogee of each Beneficiary, now requests the return of the Transfers; and

WHEREAS, following receipt from the Sender of information concerning the Transfers and a request for the return of the Transfers (collectively, the “Request Documents”), the Trustee conducted an investigation and, in consultation with his professional advisors, determined that the Transfers had in fact been misdirected and that LBI should return the Transfers, less a court-approved service fee equal to one percent (1%) of the Transfers (up to a maximum of US\$5,000.00), for a net return of US\$2,229,915.00, (the “Return Amount”).

NOW, THEREFORE, in consideration of the mutual covenants set forth below, IT IS HEREBY STIPULATED AND AGREED BY THE PARTIES HERETO THAT:

1. The Trustee is authorized to instruct the Receiving Institution to return the Return Amount in accordance with wire instructions provided by the Sender within three (3) business days of this Court’s approval of this Stipulation;
2. Upon the Trustee’s wiring the Return Amount in accordance with instructions received from the Sender, the Sender and its respective agents, employees, principals, professionals, successors, and assigns shall be deemed to have waived and released any claims they might have against the Trustee, his professionals, successors and assigns, the LBI estate and the Securities Investor Protection Corporation (“SIPC”) with respect to such Return Amount, including, without limitation, any claims for interest, costs and attorneys fees;
3. The Trustee is relying on the representations in this Stipulation and the Request Documents, that these representations are true and correct, and that the Sender acknowledges that the Trustee can refuse to deliver or seek the return of the Return Amount if these representations are not true and correct;

4. The Sender agrees to indemnify the Trustee, the LBI estate, the Trustee's professionals and agents and SIPC against any liabilities and expenses they may incur for any claim made against any of them (including, without limitation, any claim made by them to recover such funds), relating to or arising out of any material misrepresentation made by the Sender or on the Sender's behalf in this Stipulation, the Request Documents, or in connection with the return of these funds;
5. The Trustee and the Sender expressly reserve all of their rights and defenses with respect to any other claims each might have against the other;
6. Notwithstanding the proposed return of the Return Amount pursuant to this Stipulation, nothing herein shall be construed to prejudice the Trustee's rights in any way whatsoever to determine whether any other funds have been misdirected and must be returned or to require the Trustee to seek court approval to return misdirected funds. The Trustee expressly reserves all of his rights with respect to funds alleged to have been misdirected;
7. This Stipulation may be signed in counterparts which, when taken as a whole, shall constitute one and the same document; and faxed signatures shall be deemed originals;
8. Each individual signing this Stipulation on behalf of any party hereto acknowledges and, with respect to his or her own signature below, warrants and represents that he/she is authorized to execute this Stipulation in his/her representative capacity, as reflected below and on behalf of the party indicated; and
9. This Stipulation shall be governed by and shall be interpreted in accordance with the laws of the State of New York, except to the extent that the Bankruptcy Code or SIPA apply, without regard to New York's rules governing conflicts of laws. The Sender expressly submits to the personal jurisdiction of this Court in respect of the interpretation and enforcement of this Stipulation and the rights hereunder.

Dated: New York, New York
August 5, 2011

TCG HOLDINGS CAYMAN II LP

By: /s/ Daniel A. D'Aniello

Name: Daniel A. D'Aniello

Title: Officer/Managing Member

By: /s/ Daniel S. Lubell

James B. Kobak, Jr.

Daniel S. Lubell

Jeffrey S. Margolin

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ATTORNEYS FOR JAMES W.
GIDDENS, ESQ., AS TRUSTEE FOR
THE SIPA
LIQUIDATION OF THE BUSINESS OF
LEHMAN BROTHERS INC.

SO ORDERED this ____ day of August, 2011

UNITED STATES BANKRUPTCY JUDGE