

STATE OF SOUTH CAROLINA)
)
 COUNTY OF RICHLAND)
)
)
THE STATE TREASURER OF)
THE STATE OF SOUTH CAROLINA)
)
 Plaintiff,)
)
 vs.)
)
THE BANK OF NEW YORK MELLON)
CORPORATION and THE BANK OF)
NEW YORK MELLON, f/k/a THE)
BANK OF NEW YORK,)
)
 Defendants.)
 _____)

IN THE COURT OF COMMON PLEAS
 FOR THE FIFTH JUDICIAL CIRCUIT

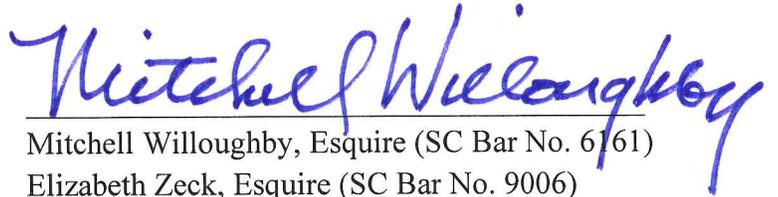
Case No. _____

**PLAINTIFF'S FIRST
 REQUEST FOR PRODUCTION
 OF DOCUMENTS**

Pursuant to Rule 34 of the South Carolina Rules of Civil Procedure, the State Treasurer of the State of South Carolina ("State Treasurer") hereby serves this First Request for Production of Documents to be answered within 45 days of service hereof, and request that the documents identified in such written response be produced for inspection and copying to the undersigned at the law offices of Willoughby & Hoefler, P.A., 930 Richland Street, P.O. Box 8416, Columbia, SC, 29202-8416.

[SIGNATURE PAGE FOLLOWS]

Respectfully submitted,



Mitchell Willoughby, Esquire (SC Bar No. 6161)

Elizabeth Zeck, Esquire (SC Bar No. 9006)

WILLOUGHBY & HOEFER, P.A.

930 Richland Street

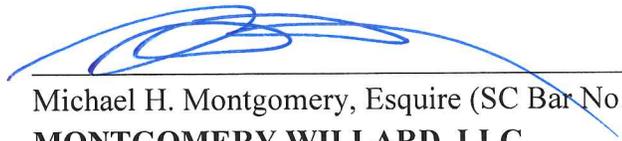
Post Office Box 8416

Columbia, SC 29202-8416

(803) 252-3300

mwilloughby@willoughbyhoefer.com

ezeck@willoughbyhoefer.com



Michael H. Montgomery, Esquire (SC Bar No. 4034)

MONTGOMERY WILLARD, LLC

1002 Calhoun Street

P.O. Box 11886

Columbia, SC 29211-1886

(803) 779-3500

mhm@montgomerywillard.com

Attorneys for the State Treasurer
of the State of South Carolina

January 26, 2011
Columbia, South Carolina

INSTRUCTIONS

IT IS HEREIN REQUESTED:

1. That all information shall be provided to the undersigned in the format as requested.
2. That all responses to the below requests shall be labeled using the same numbers as used herein.
3. That if the requested information is found in other places or in other exhibits, reference not be made to those but, instead, that the information be reproduced and placed in the responses to these requests in the appropriate sequence.
4. That any inquiries or communication relating to questions concerning clarifications of the data requested below be directed to the undersigned.
5. That all exhibits be reduced to an 8 1/2" X 11" format.
6. That, in addition to the signature and verification at the close of Defendants' responses, Defendants' witness(es) responsible for the information contained in each answer be also indicated.
7. That each request be reproduced at the beginning of the response thereto.
8. That Defendants provide the undersigned with responses to this Request for Production as soon as possible but no later than 45 days of service hereof, unless otherwise agreed by the parties.
9. If the response to any Request is that the information requested is not currently available, state when the information requested will become available.
10. These Requests shall be deemed continuing so as to require Defendants to supplement or amend their responses as any additional information becomes available up to and through the date of hearing.
11. If a privilege not to answer is claimed, identify each matter as to which the privilege is claimed, the nature of the privilege, and the legal and factual basis for each such claim.
12. If a refusal to respond to a request is based on the grounds that same would be unduly burdensome, identify the number and nature of documents needed to be searched, the location of the documents, and the number of man hours and costs required to conduct the search.
13. Answer each Request on the basis of the entire knowledge of Defendants, including information in the possession of Defendants, their officers, directors, employees, consultants, representatives, agents, attorneys, subsidiaries, and subcontractors.
14. If any Request cannot be answered in full, answer to the extent possible and specify the reasons for Defendants' inability to answer.

DEFINITIONS

The following words have the following meanings:

1. “Defendants” and/or “BNY Mellon” shall mean The Bank of New York Mellon Corporation and/or The Bank of New York Mellon, f/k/a The Bank of New York or, where appropriate, subsidiaries and/or affiliates of BNY Mellon, together with all of their employees, agents, consultants, attorneys, experts and all other persons acting on their behalf.
2. Please construe “and” as well as “or” either conjunctively or disjunctively as necessary to bring within the scope of these requests any information which might otherwise be construed outside their scope.
3. “You” and “yours” shall mean and refer to Defendants and/or BNY Mellon, together with the employees, agents, consultants, attorneys and experts of those entities.
4. “Parties” shall mean and refer to any combination or all of the Plaintiff and Defendants.
5. “Document” and “documents” shall mean all written, recorded or graphic matters whatsoever and all non-identical copies thereof, including but not limited to papers, books, records, letters, photographs, correspondence, communications, telegrams, cables, telex messages, memoranda, notes, notations, work papers, transcripts, minutes, reports, recordings of telephone or other conversations, statements, summaries, opinions, studies, analyses, evaluations, contracts, agreements, jotting, agendas, bulletins, notices, announcements, advertisements, guidelines, charts, manuals, brochures, publications, schedules, price lists, subscription lists, customer lists, journals, statistical reports, desk calendars, appointment books, diaries, lists, tabulations, newsletters, drafts, proofs, galleys, or other prepublication forms of materials, telephone lists or indexes, rolodexes, computer printouts, data processing program libraries, data processing input and outputs, microfilm, microfiches, CD-ROMs, books of account, records or invoices reflecting business operations, all records kept by electronic, photographic or mechanical means, any notes or drafts relating to any of the foregoing, and any other documents as defined in Rule 34 of the South Carolina Rules of Procedure of any kind in your possession, custody or control or to which you have access or know to exist.
6. “The State Treasurer” shall mean the State Treasurer of the State of South Carolina and including where appropriate, all governmental agencies (including but not limited to the South Carolina Retirement System) for which BNY Mellon accepted funds for management in connection with the securities lending programs, together with all of their employees, agents, consultants, attorneys, experts and all other persons acting on their behalf.

8. "SLA" shall mean the Securities Lending Agreement and Guaranty, executed on or about March 24, 2000 between the State Treasurer and BNY Mellon.
9. "Lehman" shall refer to Lehman Brothers Holdings, Inc. or any of its subsidiaries and/or affiliates.

REQUESTS FOR PRODUCTION

1. All account statements sent or otherwise provided to the State Treasurer from 2004 to present, relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA), including but not limited to statements entitled "Investment Details by Maturity Date" (an exemplar of which is attached as Exhibit 1 to this Request for Production) and/or "Securities Lending Holdings Reports" (an exemplar of which is attached as Exhibit 2 to this Request for Production).

2. All records reviewed, created, generated, used and/or maintained by BNY Mellon from 2004 to present relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in mortgage-backed securities, including but not limited to records containing any of the following information:

- A. Any sales or offering information (including but not limited to any prospectus and/or term sheets) reviewed and/or relied upon by BNY Mellon in making the purchase of the mortgage-backed security;
- B. Any review or analysis by BNY Mellon, including, but not limited to, any review or analysis by the Asset Review Committee, designed or intended to determine whether each mortgage-backed security complied with the investment guidelines of the SLA;
- C. The date of purchase and the amount paid for each mortgage-backed security;
- D. The maximum final maturity for each mortgage-backed security;
- E. The maximum weighted average life for each mortgage-backed security;
- F. The date and amount of each and every principal payment received for each mortgage-backed security;
- G. The date and amount of each and every payment of interest or other income received for each mortgage-backed security; and
- H. Any review or analysis by BNY Mellon, including, but not limited to, any review or analysis by any review, strategy or other committee established by BNY Mellon, designed or intended to determine or assess the performance of each mortgage-backed security after its purchase.

I. Any communications, whether in person, by telephone or in writing, with any representative of the State Treasurer concerning each mortgage backed security.

3. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Asset Review Committee relating to investments made in securities lending programs.

4. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Investment Strategy Review Committee relating to investments made in securities lending programs.

5. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Account Review Committee relating to investments made in securities lending programs.

6. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Asset Liability Strategy Committee relating to investments made in securities lending programs.

7. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Credit Committee relating to investments made in securities lending programs.

8. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of your Valuation Committee relating to investments made in securities lending programs.

9. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of any committee not named in the preceding six requests which was formed or organized by you between 2004-2009, inclusive, and charged *inter alia* with the obligation and/or duty of reviewing, analyzing or otherwise monitoring investments made in securities lending programs for compliance with the investment guidelines of the applicable securities lending agreements.

10. All documents (including but not limited to manuals or charters) setting forth guidelines, operating instructions, policies and/or procedures, or other directions for the activities of any committee not named in the preceding six requests which was formed or organized by you between 2004-2009, inclusive, and charged *inter alia* with the obligation and/or duty of reviewing, analyzing or otherwise monitoring investments made in securities lending programs to identify possible conflicts of interest created, caused or arising out of your position as custodian, trustee, swap contractor administrator and/or counterparty in interest rate cap and/or

swap agreements in connection with asset backed securities purchased by you for your securities lending clients.

11. Any and all drafts, preliminary versions, working copies, memoranda, notes or other documents you produced or received relating to the negotiation, creation or approval of SLA or any amendment thereto.

12. Any and all notes, memoranda or other documents evidencing or memorializing any oral or verbal communications with any employee, officer, agent or other representative of the State Treasurer relating to the negotiation, creation or approval of the SLA or any amendment thereto.

13. Any and all notes, memoranda or other documents evidencing or memorializing any oral or verbal instructions, directions or other communications received by you from any employee, officer, agent or other representative of the State Treasurer from 2000 to present, relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in asset backed securities.

14. Any and all documents evidencing or memorializing any written instructions, directions or other communications received by you from any employee, officer, agent or other representative of the State Treasurer from 2000 to present, relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in asset backed securities.

15. Any and all notes, memoranda or other documents evidencing or memorializing any oral or verbal communications made by you to any employee, officer, agent or other representative of the State Treasurer from 2000 to present, relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in asset backed securities.

16. Any and all notes, memoranda or other documents evidencing or memorializing any written communications made by you to any employee, officer, agent or other representative of the State Treasurer from 2000 to present, relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in asset backed securities.

17. All documents which set forth and/or describe your role and compensation as custodian for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

18. All documents which evidence any compensation received by you as custodian for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

19. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation as custodian for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

20. All documents which set forth and/or describe your role and compensation as trustee for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

21. All documents which evidence any compensation received by you as trustee for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

22. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation as trustee for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

23. All documents which set forth and/or describe your role and compensation as swap contract administrator for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

24. All documents which evidence any compensation received by you as swap contract administrator for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

25. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation as swap contract administrator for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

26. All documents which set forth and/or describe your role and compensation as counterparty in interest rate cap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

27. All documents which evidence any compensation received by you as counterparty in interest rate cap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

28. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation as counterparty in interest rate cap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

29. All documents which set forth and/or describe your role and compensation as counterparty in interest rate swap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

30. All documents which evidence any compensation received by you as counterparty in interest rate swap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

31. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation as counterparty in interest rate swap agreements for any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

32. All documents which set forth and/or describe your role and compensation in any capacity other than as agent for the State Treasurer and/or in the capacities named in the preceding 15 requests with any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

33. All documents which evidence any compensation received by you in any capacity other than as agent for the State Treasurer and/or in the capacities named in the preceding 15 requests with any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

34. All documents which evidence any communication by you to the State Treasurer concerning your role and compensation in any capacity other than as agent for the State Treasurer and/or in the capacities named in the preceding 15 requests with any Mortgage Backed Security purchased by you for the State Treasurer under the SLA (including but not limited to those listed on Exhibit C to the Complaint).

35. All records reviewed, created, generated, used and/or maintained by BNY Mellon from 2006 to present relating to investments made by BNY Mellon on behalf of the State Treasurer of Cash Collateral (as that term is used in the SLA) in securities issued by Lehman including but not limited to records containing any of the following information:

- A. Any sales or offering information (including but not limited to any prospectuses, prospectus supplements, shelf registration statements,

pricing supplements and/or term sheets) reviewed and/or relied upon by BNY Mellon in making the purchase of the Lehman security;

- B. Any review or analysis by BNY Mellon, including, but not limited to, any review or analysis by the Asset Review Committee, designed or intended to determine whether each Lehman security complied with the investment guidelines of the SLA;
- C. The date of purchase and the amount paid for each Lehman security;
- D. The date and amount of each and every principal payment received for each Lehman security;
- E. The date and amount of each and every payment of interest or other income received for each Lehman security;
- F. Any review or analysis by BNY Mellon, including, but not limited to, any review or analysis by any review, strategy or other committee established by BNY Mellon, designed or intended to determine or assess the performance of each Lehman security after its purchase; and
- G. Any communications, whether in person, by telephone or in writing, with any representative of the State Treasurer concerning each Lehman security.

36. All Documents which BNY Mellon produced to the Lehman Bankruptcy Examiner pursuant to the Confidentiality Stipulation and Protective Order dated December 3, 2009, a copy of which is attached as Exhibit 3 to this Request for Production.

37. All documents, including but not limited to agendas and meeting minutes, reviewed, created, generated, used and/or maintained by any committee formed by BNY Mellon, including but not limited to the Investment Strategy Review Committee, the Asset Review Committee, the Account Review Committee, the Asset/Liability Strategy Committee, the Credit Committee, and/or the Valuation Committee, for any meeting held between 2004 and the present, inclusive, during which the State Treasurer's accounts were reviewed, analyzed or otherwise monitored for compliance with the investment guidelines of the SLA relating to asset backed securities.

38. All documents, including but not limited to agendas and meeting minutes, reviewed, created, generated, used and/or maintained by any committee formed by BNY Mellon, including but not limited to the Investment Strategy Review Committee, the Asset Review Committee, the Account Review Committee, the Asset/Liability Strategy Committee, the Credit Committee, and/or the Valuation Committee, for any meeting held between 2004 and the present, inclusive, during which the State Treasurer's accounts were reviewed, analyzed or

otherwise monitored for possible conflicts of interest created, caused or arising out of your position as custodian, trustee, swap contractor administrator and/or counterparty in interest rate cap and/or swap agreements in connection with the asset backed securities purchased by you for the State Treasurer.

39. All documents, including but not limited to agendas and meeting minutes, reviewed, created, generated, used and/or maintained by any committee formed by BNY Mellon, including but not limited to the Investment Strategy Review Committee, the Asset Review Committee, the Account Review Committee, the Asset/Liability Strategy Committee, the Credit Committee, and/or the Valuation Committee, for any meeting held between 2004 and the present, inclusive, during which the Lehman securities held in the State Treasurer's securities lending accounts were reviewed, analyzed or otherwise monitored.

40. Any and all drafts, preliminary versions, working copies, memoranda, notes or other documents you produced or received relating to the loss-sharing and/or "support" arrangement proposed by BNY Mellon to its securities lending clients to provide partial compensation for losses associated with Lehman securities.

41. A list of all clients to whom the loss-sharing and/or "support" arrangement was proposed by BNY Mellon to provide partial compensation for losses associated with Lehman securities.

42. All documents relating to any review, analysis or other monitoring of activity in any account of the State Treasurer to ensure compliance with the requirements of "Reg 9," including but not limited to 12 C.F.R. Part 9.

43. All Global Securities Lending Holding Reports for the period from 2006-2008, inclusive, for every lender in your securities lending program reflecting any purchase or ownership of any Lehman security including but not limited to floating rate notes, repos, or asset-backed securities. You may redact all information identifying lenders who are not parties to the action, except that you should provide at least the last four digits of the non-party lender's identifying account or client number and you may also redact all information relating to non-Lehman holdings in these accounts.

44. All monthly statements and/or reports for the period from 2006-2008, inclusive, for every client of your asset management program reflecting any purchase or ownership of any Lehman security including but not limited to floating rate notes, repos, or asset-backed securities. You may redact all information identifying lenders who are not parties to the action, except that you should provide at least the last four digits of the non-party lender's identifying account or client number and you may also redact all information relating to non-Lehman holdings in these accounts.

45. All monthly statements and/or reports for the period from 2006-2008, inclusive, for every client of your securities lending program who was offered a loss sharing arrangement in connection with their ownership of Lehman securities, reflecting any purchase or ownership of any Lehman security including but not limited to floating rate notes, repos, or asset-backed securities. You may redact all information identifying lenders who are not parties to the action, except that you should provide at least the last four digits of the non-party lender's identifying account or client number and you may also redact all information relating to non-Lehman holdings in these accounts.

46. All documents relating to any meeting between Robert Kelly of BNY Mellon, Jamie Dimon of JP Morgan Chase, and representatives of the Federal Reserve Bank of New York ("FRBNY") on or about July 17, 2008, as referenced in the July 16, 2008 email as produced in the Lehman Examiner's Report, a copy of which is attached as Exhibit 4. (FRBNY to Exam. 034046)

47. All documents relating to any meeting between BNY Mellon, JP Morgan Chase and the Securities Investor Protection Corporation on or about July 21, 2008, as referenced in the July 20, 2008 email released to the public by the Financial Crisis Inquiry Commission in connection with the Commission's investigation of Lehman, a copy of which is attached as Exhibit 5. (FRB to LEH Examiner 000894)

48. All documents related to any meeting between Bart McDade, Ian Lowitt, and Paolo Tonucci of Lehman and Gerald Hassell of BNY Mellon on or about September 3, 2008, as referenced in the September 10, 2008 email produced in the Lehman Examiner's Report, a copy of which is attached as Exhibit 6. (LBEX-DOCID 1066546)

49. All documents related to any demand by BNY Mellon for collateral from Lehman during 2008, including but not limited to the demand made on or about August 20, 2008, as referenced in the Lehman Examiner's Report production, a copy of which is attached as Exhibit 7. (LBEX-DOCID 1066675)

50. Any and all drafts, preliminary versions, working copies, memoranda, notes or other documents you produced or received relating to the negotiation, creation or approval of the Collateral Deposit Agreement executed between BNY Mellon and Lehman on or about September 11, 2008, a copy of which is attached as Exhibit 8.

51. Any and all notes, memoranda or other documents evidencing or memorializing any oral or verbal communications with any employee, officer, agent or other representative of Lehman relating to the negotiation, creation or approval of the Collateral Deposit Agreement

executed between BNY Mellon and Lehman on or about September 11, 2008, a copy of which is attached as Exhibit 8.

52. Any and all notes, memoranda or other documents evidencing or memorializing any written communications with any employee, officer, agent or other representative of Lehman relating to the negotiation, creation or approval of the Collateral Deposit Agreement executed between BNY Mellon and Lehman on or about September 11, 2008, a copy of which is attached as Exhibit 8.

53. Any and all notes, memoranda or other documents evidencing or memorializing any oral or verbal communications with any employee, officer, agent or other representative of Lehman relating to performance under the Collateral Deposit Agreement executed between BNY Mellon and Lehman on or about September 11, 2008, a copy of which is attached as Exhibit 8.

54. Any and all notes, memoranda or other documents evidencing or memorializing any written communications with any employee, officer, agent or other representative of Lehman relating to performance under the Collateral Deposit Agreement executed between BNY Mellon and Lehman on or about September 11, 2008, a copy of which is attached as Exhibit 8.

55. All documents related to BNY Mellon's knowledge, whether direct or indirect, of any other company's request for a collateral demand from Lehman during 2008.

56. All documents relating to any meetings on September 11 and/or 12, 2008 between federal officials, including Treasury Secretary Henry Paulson, and financial institution CEOs, including BNY Mellon CEO Robert Kelly or other representatives of BNY Mellon, relating to Lehman.

57. All documents relating the BNY Mellon's risk management team's examination of the company's Lehman exposure in the days leading up to the collapse of Lehman, including but not limited to documents relating to a crisis team at BNY Mellon named the "Lehman Working Group."

58. An unredacted version of the Second Amended Complaint and Answer to the Second Amended Complaint in the case of Board of Trustees of the Southern California IBEW-NECA Defined Contribution Plan v. Bank of New York Mellon Corporation, 1:09-CV-6273, now pending in the U.S. District Court for the Southern District of New York.

59. Any and all statements, whether written, video-taped, oral or transcribed, made by or of any witnesses, potential witnesses and/or persons who may have knowledge or information relevant to the claims or defenses in this case, including but not limited to other employee or

representative of either the State Treasurer or the South Carolina Retirement System and/or the South Carolina Investment Commission.

60. Any and all documents sent to any person who you may call as a witness at the hearing of this case.

61. Any and all documents received from any person who you may call as a witness at the hearing of this case.

62. Any and all documents you identified in response to any interrogatory in this case.

63. Any and all documents you referred to in preparing any response to any interrogatory in this case.

64. Copies of any and all written reports or other tangible things prepared by or for any person identified as an expert witness by you, either retained for use at trial or who may be called to testify as a witness in this case, including but not limited to, the following:

- A. All documents, including notes, drafts, preliminary reports, and/or final reports, prepared in whole or in part by the expert on the subject matter and in connection with those matters about which the expert is expected to testify at hearing;
- B. All documents sent to the expert by you or your counsel in reference to this dispute;
- C. All documents received from the expert by you or your counsel in reference to this dispute;
- D. All letters and correspondence whatsoever between you or your counsel and any person who may be called as an expert witness;
- E. All documents upon which the expert will rely for the opinion or opinions that the expert will express at hearing;
- F. All documents utilized, relied upon, consulted and/or reviewed by the expert in connection with this dispute to the best of the expert's recollection;

- G. All documents that have been or will be shown to the expert during or in preparation of the expert's testimony at deposition or hearing;
- H. All documents, including the most recent resume or curriculum vitae, which you contend will establish the expert's qualifications for trial purposes.

65. All published treatises, periodicals, or pamphlets on the subjects of history, economic, finance, or other science or art that you claim to be reliable authority which may be used at the hearing of this case.

EXHIBIT 1

INVESTMENT DETAILS BY MATURITY DATE

June 30, 2006

Client	Share	Invest	CUSIP	Security Description	Issue Name	Rate	Maturity Date	Accrued Interest	Years To Maturity
839577	SC LIP	ABS	64352VJW2-1	ABS 1ML+11 M	NEW CENTURY HOME EQUITY LN 05-1 A2	5.433	5/25/2007	\$3,956,855.78	0.89
SUB TOTAL									
839577	SC LIP	ABS	0738793K2	ABS 1ML+12 M	BEAR STEARNS ABS I TRUST 05-HE11 A1	5.443	1/25/2008	\$3,516,811.41	1.55
839577	SC LIP	ABS	362334PG3	ABS 1ML+6 M	GOLDMAN SACHS ALT MTG 06-FM1 A2A	5.383	1/25/2008	\$8,335,043.36	1.55
839577	SC LIP	ABS	542514QS6	ABS 1ML+9 M	LONG BEACH MORTGAGE LN TR 06-WL12A1	5.413	1/25/2008	\$7,761,964.42	1.55
839577	SC LIP	ABS	65536HCN6	ABS 1ML+8 M	NOMURA HOME EQUITY LN INC 06-HE1	5.403	1/25/2008	\$7,935,399.57	1.55
839577	SC LIP	ABS	84751PKT5	ABS 1ML+8 M	SPEC UNDERWRITING & RES FIN 06-AB1A1	5.403	1/25/2008	\$6,059,425.01	1.55
839577	SC LIP	ABS	12489WQU1	ABS 1ML+6 M	CREDIT-BASED ASSET SVC & SEC 06-CB3	5.383	2/25/2008	\$8,992,491.27	1.63
SUB TOTAL									
INVESTMENT TYPE TOTAL									
839577	SC LIP	BKNT	90331HLA9	BKNT 1ML-4 M	US BANK NA MINNESOTA	5.111	3/31/2008	\$5,017,597.62	1.73
SUB TOTAL									
839577	SC LIP	CFLT	045197AA8	CFLT 3ML+4 Q	AIG SUNAMERICA GLOBAL FIN XXVIII	5.211	5/3/2007	\$14,617,093.14	0.83
SUB TOTAL									
839577	SC LIP	CFLT	41659EAB8	CFLT 3ML+4 Q	HARTFORD LIFE FUNDING	5.119	7/13/2007	\$20,210,086.37	1.02
839577	SC LIP	CFLT	74367FAF5	CFLT 3ML+8 Q	PROTECTIVE LIFE SECURED TRUST	5.148	1/14/2008	\$20,223,090.83	1.52
839577	SC LIP	CFLT	617446YC7	CFLT 3ML+12.5 Q	MORGAN STANLEY & CO	5.193	1/18/2008	\$10,106,750.14	1.53
839577	SC LIP	CFLT	46623ECA5	CFLT 3ML+7 Q	JP MORGAN CHASE & CO.	5.17	1/25/2008	\$20,192,438.89	1.55
839577	SC LIP	CFLT	74153WAP4	CFLT 3ML+8 Q	PRICOA GLOBAL FUNDING 1	5.18	1/25/2008	\$16,154,248.89	1.55
839577	SC LIP	CFLT	12560PES6	CFLT FF OPEN+14 D	CIT GROUP HOLDINGS INCORPORATED	5.453	5/9/2008	\$10,031,584.72	1.83
839577	SC LIP	CFLT	36962GT79	CFLT 3ML+4 Q	GENERAL ELECTRIC CAPITAL CORP	5.04	1/5/2009	\$10,121,800.00	2.48
839577	SC LIP	CFLT	225434BH1	CFLT 1ML+8 M	CREDIT SUISSE (USA) INC	5.21	6/5/2009	\$5,017,366.67	2.89
SUB TOTAL									
INVESTMENT TYPE TOTAL									
839577	SC LIP	REPO	RP0245792	REPO COLL US AGY MBS D	MORGAN STANLEY & COMPANY INC	5.33	7/3/2006	\$13,717,030.58	0.01
839577	SC LIP	REPO	RP0208135	REPO COLL US AGY MBS D	DEUTSCHE BANK SECURITIES INC	5.032	7/3/2006	\$93,191.30	0.01
839577	SC LIP	REPO	RP0208135	REPO COLL US AGY MBS D	DEUTSCHE BANK SECURITIES INC	5.04	7/3/2006	\$316,521.25	0.01
SUB TOTAL									
ACCOUNT TOTAL									
ACCOUNT TOTAL: \$192,376,791.22									

INVESTMENT DETAILS BY MATURITY DATE

Years To Maturity

Approximate Maturity Value

Yield Rate

Issuer Name

Security Description

CUSIP

Chain Symbol Name

Chain Symbol Name	CUSIP	Security Description	Issuer Name	Yield Rate	Maturity Date	Approximate Maturity Value	Years To Maturity	
839576 SC GDA	ABS 86358E5E7	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-4 A1	5.413	3/26/2007	\$1,726,579.75	0.73	
839576 SC GDA	ABS 76110W2U9	ABS 1ML+10 M	RESIDENTIAL ASSET SEC CORP 05-KS7A1	5.423	4/25/2007	\$4,492,579.18	0.81	
SUB TOTAL							\$6,219,158.93	
839576 SC GDA	ABS 64352VLE9	ABS 1ML+9 M	NEW CENTURY HOME EQUITY LN 05-3 A2	5.413	7/25/2007	\$2,887,062.92	1.05	
839576 SC GDA	ABS 86358EVZ6	ABS 1ML+11 M	STRUCTURED ASSET INV LN TR 05-7 A3	5.433	7/25/2007	\$11,892,766.11	1.05	
839576 SC GDA	ABS 073879Z9A	ABS 1ML+11 M	BEAR STEARNS ABS I TRUST 05-HE7 1A1	5.433	8/27/2007	\$8,350,428.74	1.14	
839576 SC GDA	ABS 437084PT7	ABS 1ML+11 M	HOME EQUITY ASSET TR 2005-8 2A1	5.433	8/27/2007	\$18,454,337.23	1.14	
839576 SC GDA	ABS 86358EWU6	ABS 1ML+12 M	STRUCTURED ASSET INV LN TR 05-HE3A3	5.443	8/27/2007	\$3,668,798.90	1.14	
839576 SC GDA	ABS 040104QL8	ABS 1ML+8 M	ARGENT SECURITIES INC 2005-W5 A2A	5.403	10/25/2007	\$17,739,578.44	1.3	
839576 SC GDA	ABS 32027NXT3	ABS 1ML+9 M	FIRST FRANKLIN MTG LN TR 2005-FF12	5.413	10/25/2007	\$20,508,393.35	1.3	
839576 SC GDA	ABS 362341C23	ABS 1ML+8 M	GOLDMAN SACHS ALT MTG 05-AHL2 A2A	5.403	10/25/2007	\$18,794,442.13	1.3	
839576 SC GDA	ABS 542514QE7	ABS 1ML+10 M	LONG BEACH MORTGAGE LN TR 05-WL32A1	5.423	10/25/2007	\$13,877,275.44	1.3	
839576 SC GDA	ABS 073879W87	ABS 1ML+12 M	BEAR STEARNS ABS I TRUST 05-HE10 A1	5.443	11/26/2007	\$15,789,298.92	1.39	
839576 SC GDA	ABS 86358EZO2	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-11 A4	5.413	12/26/2007	\$7,620,392.95	1.47	
839576 SC GDA	ABS 61744CWH5	ABS 1ML+8 M	MORGAN STANLEY ABS CAP I 05-HE1 A2A	5.403	2/25/2008	\$8,891,527.01	1.63	
839576 SC GDA	ABS 81375WGR1	ABS 1ML+8 M	SECURITIZED ABS LLC TR 2005-OP2 A2A	5.403	3/25/2008	\$6,161,532.44	1.71	
839576 SC GDA	ABS 04012MAP4	ABS 1ML+9 M	ARGENT SECURITIES INC 2006-M1 A2B	5.431	9/25/2008	\$4,001,810.21	2.21	
839576 SC GDA	ABS 54251PAC1	ABS 1ML+8 M	LONG BEACH MORTGAGE LN TR 06-5 2A2	5.289	10/27/2008	\$10,023,505.56	2.29	
839576 SC GDA	ABS 61749KAB9	ABS 1ML+5 M	MORGAN STANLEY ABS CAP 06-WMC2 A2FP	5.391	12/26/2008	\$20,008,984.38	2.45	
SUB TOTAL							\$188,680,134.73	
INVESTMENT TYPE TOTAL							\$194,899,293.66	
839576 SC GDA	BKNT 634906FE6	BKNT 3ML-5 Q	NATIONAL CITI BANK INDIANA	5.002	10/4/2007	\$21,238,742.70	1.24	
839576 SC GDA	BKNT 93933VAX6	BKNT 3ML+4 Q	WASHINGTON MUTUAL BANK	5.21	11/16/2007	\$10,066,572.22	1.36	
SUB TOTAL							\$31,305,314.92	
839576 SC GDA	CFLT FN635689	CFLT FF EFF+15 D	GOLDMAN SACHS PROMISSORY NOTE	5.23	7/21/2006	\$15,019,320.83	0.06	
839576 SC GDA	CFLT 045197AA8	CFLT 3ML+4 Q	AIG SUNAMERICA GLOBAL FIN XXVIII	5.211	5/3/2007	\$15,121,130.83	0.83	
839576 SC GDA	CFLT 40428JAC1	CFLT 3ML+4 Q	HSBC (HOUSEHOLD FINANCE CORP)	5.2	5/10/2007	\$7,052,577.78	0.85	
839576 SC GDA	CFLT 61532NAA6	CFLT 3ML+9 Q	MONUMENTAL GLOBAL FUNDING 2	5.546	6/29/2007	\$25,268,427.60	0.98	
SUB TOTAL							\$62,461,457.04	
839576 SC GDA	CFLT 52517FZK0	CFLT 1ML+6.5 M	LEHMAN BROTHERS HOLDINGS	5.317	7/19/2007	\$27,047,851.92	1.04	
839576 SC GDA	CFLT 63858UAM5	CFLT 3ML+12 Q	NATIONWIDE BLDG SOC INC	5.2	7/20/2007	\$9,093,600.00	1.04	
839576 SC GDA	CFLT 02635PSR5	CFLT 3ML+11 Q	AMERICAN GENERAL FINANCE CORP	5.257	8/16/2007	\$20,925,984.75	1.11	
839576 SC GDA	CFLT 12560PDW8	CFLT 3ML+7 Q	CIT GROUP HOLDINGS INCORPORATED	5.278	8/24/2007	\$20,111,413.89	1.13	

INVESTMENT DETAILS By MATURITY DATE

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839576 SC GDA	079928L84	CFLT FF OPEN+12.5 D	BEAR STEARNS COMPANIES INCORPORATED	5.438	10/3/2007	\$10,124,843.75	1.24
839576 SC GDA	40428JAM9	CFLT 3ML+4 Q	HSBC (HOUSEHOLD FINANCE CORP)	5.04	10/4/2007	\$25,308,000.00	1.24
839576 SC GDA	001389CK2	CFLT 1ML-1 M	AG-FP MATCHED FUNDING	5.198	12/17/2007	\$8,017,927.10	1.44
839576 SC GDA	38141EKL2	CFLT FF OPEN+16 D	GOLDMAN SACHS GROUP	5.473	12/28/2007	\$10,004,438.89	1.47
839576 SC GDA	617446YC7	CFLT 3ML+12.5 Q	MORGAN STANLEY & CO	5.193	1/18/2008	\$7,580,062.60	1.53
839576 SC GDA	69371RWW2	CFLT 3ML-5 Q	PACCAR FINANCIAL CORPORATION	5.453	3/17/2008	\$15,000,807.20	1.69
839576 SC GDA	172967CW9	CFLT 3ML+5 Q	CITIGROUP INCORPORATED	5.199	5/2/2008	\$23,199,285.42	1.81
839576 SC GDA	12560PES6	CFLT FF OPEN+14 D	CIT GROUP HOLDINGS INCORPORATED	5.453	5/9/2008	\$20,063,169.44	1.83
839576 SC GDA	74367FAG3	CFLT 3ML+9 Q	PROCTIVE LIFE SECURED TRUST	5.26	5/16/2008	\$10,067,211.11	1.85
839576 SC GDA	59018YVM0	CFLT 3ML+10 Q	MERRILL LYNCH & CO	5.441	6/16/2008	\$20,045,338.58	1.93
839576 SC GDA	59018YVQ1	CFLT FF OPEN+21 D	MERRILL LYNCH & CO	5.523	7/7/2008	\$5,566,779.17	1.99
839576 SC GDA	172967DG3	CFLT 3ML+4 Q	CITIGROUP INCORPORATED	5.166	1/30/2009	\$16,140,045.97	2.55
839576 SC GDA	46623ECE7	CFLT 3ML+4 Q	JP MORGAN CHASE & CO.	5.03	4/3/2009	\$20,248,705.56	2.72
839576 SC GDA	225434BH1	CFLT 1ML+8 M	CREDIT SUISSE (USA) INC	5.21	6/5/2009	\$15,052,100.00	2.89
839576 SC GDA	026874BA4	CFLT 1ML+5 M	AMERICAN INTERNATIONAL GROUP	5.258	6/16/2009	\$8,017,527.10	2.92
			SUB TOTAL			\$291,614,492.45	
			INVESTMENT TYPE TOTAL			\$354,075,949.49	

839576 SC GDA	RP0245786	REPO COLL US AGY MBS D	NOMURA SECURITIES INTL INCORPORATED	5.35	7/3/2006	\$130,000,000.00	0.01
839576 SC GDA	RP0245792	REPO COLL US AGY MBS D	MORGAN STANLEY & COMPANY INC	5.33	7/3/2006	\$18,332,000.00	0.01
		Sub Total for Inv. Type	SUB TOTAL			\$148,332,000.00	

ACCOUNT TOTAL \$728,612,558.07

INVESTMENT DETAILS BY MATURITY DATE

Client ID	Client Name	Invest Type	CUSIP	Security Description	Issuer Name	Ratio	Maturity Date	Quantity	Accrued Market Value	Years to Maturity
382415	SC TUI	ABS	43638VAD3	ABS 3ML+8 Q	HOLMES FINANCING PLC 8 2A	5.148	1/16/2007	\$500,000.00	\$505,362.76	0.54
382415	SC TUI	ABS	61744CMY9	ABS 1ML+9 M	MORGAN STANLEY ABS CAP I 05-HE2	5.413	3/26/2007	\$17,868.57	\$17,882.00	0.73
382415	SC TUI	ABS	14041NBQ3	ABS 3ML+4 Q	CAPITAL ONE MULTI-ASSET EX TR 04-A6	5.369	6/15/2007	\$500,000.00	\$501,193.20	0.95
382415	SC TUI	ABS	64352VNF4	ABS 1ML+12 M	NEW CENTURY HOME EQUITY LN 05-B A2	5.443	6/25/2007	\$446,302.57	\$446,639.93	0.97
				SUB TOTAL				\$1,464,171.14	\$1,471,077.89	
382415	SC TUI	ABS	32027NVT5	ABS 1ML+12 M	FIRST FRANKLIN MTG LN TR 2005-FF9	5.443	9/25/2007	\$603,947.56	\$604,404.09	1.22
382415	SC TUI	ABS	073879Q76	ABS 1ML+12 M	BEAR STEARNS ABS TRUST 05-HE9 1A1	5.443	10/25/2007	\$399,412.85	\$399,714.57	1.3
382415	SC TUI	ABS	84751PKT5	ABS 1ML+8 M	SPEC UNDERWRITING & RES FIN 06-AB1A1	5.403	1/25/2008	\$432,491.54	\$432,816.06	1.55
382415	SC TUI	ABS	12489WQU1	ABS 1ML+6 M	CREDIT-BASED ASSET SVC & SEC 06-CB3	5.383	2/25/2008	\$673,983.03	\$674,436.84	1.63
382415	SC TUI	ABS	362334BQ6	ABS 1ML+8 M	GOLDMAN SACHS HOME EQ TR 06-3 A1	5.403	5/26/2008	\$446,206.90	\$446,541.71	1.88
				SUB TOTAL				\$2,555,991.68	\$2,557,913.27	
				INVESTMENT TYPE TOTAL				\$4,020,162.82	\$4,028,991.16	
382415	SC TUI	BKNT	98151GAB1	BKNT 3ML+6 Q	WORLD SAVINGS BANK FSB	5.296	12/7/2007	\$750,000.00	\$752,648.13	1.42
382415	SC TUI	BKNT	90331HLA9	BKNT 1ML+4 M	US BANK NA MINNESOTA	5.111	3/31/2008	\$499,647.65	\$501,759.76	1.73
				SUB TOTAL				\$1,249,647.65	\$1,254,407.89	
382415	SC TUI	CFLT	41659EAB3	CFLT 3ML+4 Q	HARTFORD LIFE FUNDING	5.119	7/13/2007	\$749,906.35	\$757,878.24	1.02
382415	SC TUI	CFLT	929903AH5	CFLT 3ML+8 Q	WACHOVIA CORPORATION	5.17	7/20/2007	\$500,000.00	\$504,882.78	1.04
382415	SC TUI	CFLT	44981WAL4	CFLT 3ML+8 Q	ING SEC LIFE INSURANCE FUND	5.148	1/14/2008	\$500,000.00	\$505,577.27	1.52
382415	SC TUI	CFLT	46623ECA5	CFLT 3ML+7 Q	JP MORGAN CHASE & CO.	5.17	1/25/2008	\$500,000.00	\$504,810.97	1.55
382415	SC TUI	CFLT	12560PEQ0	CFLT 3ML+7 Q	CIT GROUP HOLDINGS INCORPORATED	5.259	2/21/2008	\$500,000.00	\$502,921.88	1.82
382415	SC TUI	CFLT	59018YVM0	CFLT 3ML+10 Q	MERRILL LYNCH & CO	5.441	6/16/2008	\$500,000.00	\$501,133.46	1.93
382415	SC TUI	CFLT	36962GT79	CFLT 3ML+4 Q	GENERAL ELECTRIC CAPITAL CORP	5.04	1/5/2009	\$500,000.00	\$506,090.00	2.48
382415	SC TUI	CFLT	74153WAW9	CFLT 3ML+6 Q	PRICOA GLOBAL FUNDING 1	5.331	3/3/2009	\$500,000.00	\$501,924.95	2.64
382415	SC TUI	CFLT	69371RZD1	CFLT 3ML+4 Q	PACCAR FINANCIAL CORPORATION	5.158	4/27/2009	\$499,860.00	\$504,578.54	2.79
				INVESTMENT TYPE TOTAL				\$4,749,766.35	\$4,789,798.09	
				ACCOUNT TOTAL				\$10,019,576.82	\$10,073,197.14	

June 30, 2006

INVESTMENT DETAILS BY MATURITY DATE

Client Short Name	Invest Type	CUSIP	Security Description	Issuer Name	Rate	Maturity Date	Quantity	Agreed Market Value	Days to Maturity
162168 SC J&S	ABS	64352VNF4	ABS 1ML+12 M	NEW CENTURY HOME EQUITY LN 05-B A2	5.443	6/25/2007	\$148,767.52	\$148,879.97	0.97
SUB TOTAL									
162168 SC J&S	ABS	76112B4L1	ABS 1ML+7 M	RESIDENTIAL ASSET MTG PROD 06-NCSA1	5.393	1/25/2008	\$457,726.50	\$458,069.32	1.55
162168 SC J&S	ABS	84751PKT5	ABS 1ML+8 M	SPEC UNDERWRITING & RES FIN 06-AB1A1	5.403	1/25/2008	\$432,491.54	\$432,816.06	1.55
162168 SC J&S	ABS	004421XC2	ABS 1ML+7 M	ACE SECURITIES CORP 2006-ASPT AZA	5.393	2/25/2008	\$658,815.35	\$659,308.78	1.63
162168 SC J&S	ABS	12489WQU1	ABS 1ML+6 M	CREDIT-BASED ASSET SVC & SEC 06-CB3	5.383	2/25/2008	\$673,933.03	\$674,436.84	1.63
162168 SC J&S	ABS	362334BQ6	ABS 1ML+8 M	GOLDMAN SACHS HOME EQ TR 06-3 A1	5.403	5/26/2008	\$446,206.90	\$446,541.71	1.88
SUB TOTAL									
INVESTMENT TYPE TOTAL									
162168 SC J&S	BKNT	634902MP2	BKNT 3ML-1 Q	NATIONAL CITY BANK CLEVELAND	5.186	2/13/2008	\$499,789.92	\$503,158.25	1.6
162168 SC J&S	BKNT	90331HLA9	BKNT 1ML-4 M	US BANK NA MINNESOTA	5.111	3/31/2008	\$999,437.57	\$501,759.76	1.73
SUB TOTAL									
INVESTMENT TYPE TOTAL									
162168 SC J&S	CFLT	40429JAC1	CFLT 3ML+4 Q	HSBC (HOUSEHOLD FINANCE CORP)	5.2	5/10/2007	\$750,000.00	\$755,633.33	0.85
SUB TOTAL									
162168 SC J&S	CFLT	52517PZK0	CFLT 1ML+6.5 M	LEHMAN BROTHERS HOLDINGS	5.317	7/19/2007	\$500,000.00	\$500,866.15	1.04
162168 SC J&S	CFLT	46623ECA5	CFLT 3ML+7 Q	JP MORGAN CHASE & CO.	5.156	1/25/2008	\$750,170.42	\$757,386.88	1.55
162168 SC J&S	CFLT	073928N82	CFLT FF OPEN+14 D	BEAR STEARNS COMPANIES INCORPORATED	5.453	3/6/2008	\$500,000.00	\$501,793.40	1.66
162168 SC J&S	CFLT	172867CW9	CFLT 3ML+5 Q	CITIGROUP INCORPORATED	5.2	5/2/2008	\$749,985.53	\$756,483.97	1.81
162168 SC J&S	CFLT	59018VYQ1	CFLT FF OPEN+21 D	MERRILL LYNCH & CO	5.523	7/7/2008	\$750,000.00	\$759,106.25	1.99
162168 SC J&S	CFLT	74153WAW9	CFLT 3ML+6 Q	PRICOA GLOBAL FUNDING 1	5.331	3/3/2009	\$500,000.00	\$501,924.95	2.64
162168 SC J&S	CFLT	69371FZD1	CFLT 3ML+4 Q	PACCAR FINANCIAL CORPORATION	5.158	4/27/2009	\$499,860.00	\$504,578.54	2.79
SUB TOTAL									
INVESTMENT TYPE TOTAL									
162168 SC J&S	REPO	RP0245792	REPO COLL US AGY MBS D	MORGAN STANLEY & COMPANY INC	5.33	7/9/2006	\$7,925,000.00	\$7,925,000.00	0.01
SUB TOTAL									
ACCOUNT TOTAL								\$16,742,394.35	\$16,787,764.16

June 30, 2006

INVESTMENT DETAILS By MATURITY DATE

Client Short Name	Inves Type	ISIF	Security Description	Assgn/Name	Rate	Maturity Date	Quantity	Market Value	Cost Value
340105	SC POL	ABS	86358E5E7	ABS 1ML+9 M	5.473	3/26/2007	\$862,841.37	\$863,289.85	0.73
340105	SC POL	ABS	76110W2U9	ABS 1ML+10 M	5.423	4/25/2007	\$3,591,858.61	\$3,594,063.35	0.81
				SUB TOTAL			\$4,453,999.98	\$4,457,353.20	
340105	SC POL	ABS	86358EVZ6	ABS 1ML+11 M	5.433	7/25/2007	\$5,704,223.83	\$5,708,527.75	1.05
340105	SC POL	ABS	073879ZA9	ABS 1ML+11 M	5.433	8/27/2007	\$8,344,132.98	\$8,350,428.74	1.14
340105	SC POL	ABS	32027NWL1	ABS 1ML+10 M	5.423	8/27/2007	\$7,580,033.51	\$7,585,742.22	1.14
340105	SC POL	ABS	86358EWU6	ABS 1ML+12 M	5.443	8/27/2007	\$1,710,812.95	\$1,712,106.16	1.14
340105	SC POL	ABS	542514QE7	ABS 1ML+10 M	5.423	10/25/2007	\$5,548,732.80	\$5,550,910.18	1.3
340105	SC POL	ABS	437084VK9	ABS 1ML+6 M	5.363	2/25/2008	\$9,364,692.09	\$9,371,692.85	1.63
340105	SC POL	ABS	362341D63	ABS 1ML+9 M	5.413	3/25/2008	\$8,121,262.17	\$8,127,367.22	1.71
340105	SC POL	ABS	81375WGR1	ABS 1ML+8 M	5.403	3/25/2008	\$6,156,912.62	\$6,161,532.44	1.71
340105	SC POL	ABS	54251PAC1	ABS 1ML+8 M	5.289	10/27/2008	\$2,000,000.00	\$2,004,701.11	2.28
				SUB TOTAL			\$54,528,802.95	\$54,573,008.67	
				INVESTMENT TYPE TOTAL			\$58,982,802.93	\$59,030,361.87	
340105	SC POL	BKNT	93993VAX6	BKNT 3ML+4 Q	5.21	11/16/2007	\$10,000,000.00	\$10,066,572.22	1.36
				SUB TOTAL			\$10,000,000.00	\$10,066,572.22	
340105	SC POL	CFLT	45920QEJ4	CFLT 3ML FLAT Q	5.49	6/28/2007	\$10,000,000.00	\$10,004,575.00	0.98
				SUB TOTAL			\$10,000,000.00	\$10,004,575.00	
340105	SC POL	CFLT	925903AH5	CFLT 3ML+8 Q	5.096	7/20/2007	\$3,002,605.43	\$3,031,902.10	1.04
340105	SC POL	CFLT	02666QVC4	CFLT 3ML+10 Q	5.151	7/27/2007	\$20,016,003.57	\$20,204,161.27	1.06
340105	SC POL	CFLT	40429JAM9	CFLT 3ML+4 Q	5.04	10/4/2007	\$15,000,000.00	\$15,184,800.00	1.24
340105	SC POL	CFLT	001389CK2	CFLT 1ML-1 M	5.198	12/17/2007	\$5,000,000.00	\$5,010,829.44	1.44
340105	SC POL	CFLT	46849LEZ0	CFLT 3ML+8 Q	5.171	1/24/2008	\$9,999,757.27	\$10,097,422.83	1.55
340105	SC POL	CFLT	06050MET0-1	CFLT 3ML+1 Q	5.51	3/28/2008	\$5,000,000.00	\$5,001,530.56	1.72
340105	SC POL	CFLT	172967CW9	CFLT 3ML+5 Q	5.199	5/2/2008	\$5,000,000.00	\$5,043,322.92	1.81
340105	SC POL	CFLT	74367FAG3	CFLT 3ML+9 Q	5.26	5/16/2008	\$8,000,000.00	\$8,053,766.89	1.93
340105	SC POL	CFLT	59016YVM0	CFLT 3ML+10 Q	5.441	6/16/2008	\$5,000,000.00	\$5,054,003.94	1.85
340105	SC POL	CFLT	59018YVQ1	CFLT FF OPEN+21 D	5.523	7/17/2008	\$5,000,000.00	\$5,060,708.33	1.99
340105	SC POL	CFLT	59018YWF4	CFLT 3ML+9 Q	5.2	10/27/2008	\$6,000,000.00	\$6,056,333.33	2.29
340105	SC POL	CFLT	36962GT79	CFLT 3ML+4 Q	5.04	1/5/2009	\$10,000,000.00	\$10,121,800.00	2.48
340105	SC POL	CFLT	225434BH1	CFLT 1ML+8 M	5.21	6/5/2009	\$5,000,000.00	\$5,017,366.67	2.89

		INVESTMENT DETAILS BY MATURITY DATE			June 30, 2006
SC POL	CFLT 026874BA4	CFLT 1ML+5 M	5.258	6/16/2009	
		AMERICAN INTERNATIONAL GROUP			\$5,010,954.44
		SUB TOTAL			\$117,928,904.72
		INVESTMENT TYPE TOTAL			\$127,933,479.72
	REPO RP0245780	REPO COLL US AGY DEUTSCHE BANK SECURITIES INC	5.35	7/3/2006	\$41,916,000.00
	REPO RP0245792	REPO COLL US AGY MORGAN STANLEY & COMPANY INC	5.33	7/3/2006	\$137,000.00
		SUB TOTAL			\$42,053,000.00
		ACCOUNT TOTAL			\$239,083,413.81

June 30, 2006

INVESTMENT DETAILS BY MATURITY DATE

Client	Invest.	Security	Rate	Maturity	Quantity	Accrued Market	Years To
ID	Name	Description		Date		Value	Maturity
32167	SC GEN	REPO	5.33	7/3/2006	\$1,743,000.00	\$1,743,000.00	0.01
					\$1,743,000.00	\$1,743,000.00	
					\$1,743,000.00	\$1,743,000.00	

MORGAN STANLEY & COMPANY INC

SUB TOTAL

ACCOUNT TOTAL

INVESTMENT DETAILS BY MATURITY DATE

June 30, 2006

Client ID	Client Name	Invest Type	CUSIP	Security Description	Issuer Name	Rate	Maturity Date	Account Value	Gain to Maturity
340022	SC NG	REPO	RF0245792	REPO COLL US AGY MBS D	MORGAN STANLEY & COMPANY INC	5.33	7/3/2006	\$87,000.00	0.01

ACCOUNT TOTAL

\$87,000.00

INVESTMENT DETAILS BY MATURITY DATE

Client Name	Investment Type	Security Description	ESSENCE Name	Maturity Date	Rate	Quantity	Accrued Market Value	Years to Maturity
340106	SC RET	ABS 031733AC2	ABS 1ML+17 M	AMORTIZING RESIDENT COLL TR 04-1 A3	5.493	9/25/2006	\$3,038,850.06	0.23
340106	SC RET	ABS 86358E5E7	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-4 A1	5.413	3/26/2007	\$11,222,768.34	0.73
340106	SC RET	ABS 362341BM0	ABS 1ML+9 M	GOLDMAN SACHS ALT MTG 05-HE3 A2A	5.413	5/25/2007	\$6,031,082.50	0.89
340106	SC RET	ABS 64352VJW2-1	ABS 1ML+11 M	NEW CENTURY HOME EQUITY LN 05-1 A2	5.433	5/25/2007	\$3,083,589.43	0.89
340106	SC RET	ABS 64352VNF4	ABS 1ML+12 M	NEW CENTURY HOME EQUITY LN 05-B A2	5.443	6/25/2007	\$29,775,995.56	0.97
340106	SC RET	ABS 86358ETX4	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-6 A7	5.413	6/25/2007	\$5,838,137.91	0.97
				SUB TOTAL			\$58,895,983.43	
340106	SC RET	ABS 64352VLE9	ABS 1ML+9 M	NEW CENTURY HOME EQUITY LN 05-3 A2	5.413	7/25/2007	\$10,104,720.18	1.05
340106	SC RET	ABS 86358EVZ6	ABS 1ML+11 M	STRUCTURED ASSET INV LN TR 05-7 A3	5.433	7/25/2007	\$9,276,357.58	1.05
340106	SC RET	ABS 073879ZA9	ABS 1ML+11 M	BEAR STEARNS ABS TRUST 05-HE7 1A1	5.433	8/27/2007	\$20,876,071.86	1.14
340106	SC RET	ABS 152314PK0	ABS 1ML+11 M	CENTEX HOME EQUITY LN TR 2005-D AV1	5.433	8/27/2007	\$26,409,341.50	1.14
340106	SC RET	ABS 32027NWL1	ABS 1ML+10 M	FIRST FRANKLIN MTG LN TR 2005-FF10	5.423	8/27/2007	\$37,928,711.13	1.14
340106	SC RET	ABS 75405WAA0	ABS 1ML+9 M	RESIDENTIAL ASSET SEC CORP 05-KS10	5.413	8/27/2007	\$56,947,732.86	1.14
340106	SC RET	ABS 86358EWU6	ABS 1ML+12 M	STRUCTURED ASSET INV LN TR 05-HE3A3	5.443	8/27/2007	\$7,387,597.80	1.14
340106	SC RET	ABS 65536HAZ1	ABS 1ML+11 M	NOMURA HOME EQUITY LN INC 05-HE1	5.433	9/25/2007	\$24,444,150.55	1.22
340106	SC RET	ABS 17307GP28	ABS 1ML+8 M	CITIGROUP MORTGAGE LN TR 2005-HE4	5.403	10/25/2007	\$41,218,370.25	1.3
340106	SC RET	ABS 86358EYD2	ABS 1ML+11 M	STRUCTURED ASSET INV LN TR 05-9 A4	5.433	10/25/2007	\$9,993,438.29	1.3
340106	SC RET	ABS 61744CUP9	ABS 1ML+10 M	MORGAN STANLEY ABS CAP I 05-HE5	5.423	12/26/2007	\$52,307,939.76	1.47
340106	SC RET	ABS 86358EZQ2	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-11 A4	5.413	12/26/2007	\$22,844,006.19	1.47
340106	SC RET	ABS 362334PG3	ABS 1ML+6 M	GOLDMAN SACHS ALT MTG 06-FM1 A2A	5.383	1/25/2008	\$37,673,550.64	1.55
340106	SC RET	ABS 61744CZAT	ABS 1ML+6 M	MORGAN STANLEY ABS CAP I 06-NC3 A2A	5.383	1/25/2008	\$23,133,997.27	1.55
340106	SC RET	ABS 004375EU1	ABS 1ML+6 M	ACCREDITED MTGE LN TR 2006-1 A1	5.383	2/25/2008	\$30,431,954.46	1.63
340106	SC RET	ABS 040104TE1	ABS 1ML+6 M	ARGENT SECURITIES INC 2006-W4 A2A	5.383	2/25/2008	\$33,484,550.11	1.63
340106	SC RET	ABS 362334LF9	ABS 1ML+6 M	GOLDMAN SACHS ALT MTG 06-HE2 A1	5.383	2/25/2008	\$59,347,048.26	1.63
340106	SC RET	ABS 40430HFJ2	ABS 1ML+6 M	HSI ASSET SEC CORP TR 06-OPT3 3A1	5.383	2/25/2008	\$43,830,896.80	1.63
340106	SC RET	ABS 65536MAA5	ABS 1ML+6 M	NOMURA HOME EQUITY LN INC 06-HE2 A1	5.383	2/25/2008	\$22,656,821.05	1.63
340106	SC RET	ABS 69121PDV2	ABS 1ML+6 M	OWNIT MTGE LN ASSET-BACKED 06-3 A2A	5.383	2/25/2008	\$48,236,198.87	1.63
340106	SC RET	ABS 362341D63	ABS 1ML+9 M	GOLDMAN SACHS HOME EQ TR 05-15 2A1	5.413	3/25/2008	\$22,673,758.60	1.63
340106	SC RET	ABS 61748BA2	ABS 1ML+4 M	MORGAN STANLEY ABS CAP I 06-HE4 A1	5.342	3/25/2008	\$48,272,258.78	1.63
340106	SC RET	ABS 57644TAB4	ABS 1ML+3 M	MASTER ASSET BACKED SEC TR 06-WMCA2	5.38	5/26/2008	\$32,509,468.86	1.71
340106	SC RET	ABS 04012MAP4	ABS 1ML+9 M	ARGENT SECURITIES INC 2006-M1 A2B	5.431	9/25/2008	\$43,262,926.94	1.88
340106	SC RET	ABS 80556XAD9	ABS 1ML+9 M	SAXON ASSET SEC TR 2006-2 A3B	5.413	9/25/2008	\$3,001,357.66	2.21
340106	SC RET	ABS 57644TA2	ABS 1ML+9 M	MASTER ASSET BACKED SEC TR 06-WMCA3	5.44	10/27/2008	\$20,015,034.72	2.21
340106	SC RET	ABS 86360PAF4	ABS 1ML+5 M	STRUCTURED ASSET SEC CORP 06-NC1	5.344	10/27/2008	\$10,003,022.22	2.29
340106	SC RET	ABS 590212AB2	ABS 1ML+9 M	MERRILL LYNCH MTG INVEST 06-HE3 A2	5.384	11/25/2008	\$25,038,402.38	2.29
340106	SC RET	ABS 83612CAC3	ABS 1ML+9 M	SOUNDVIEW HOME EQUITY LN TR 06-52A2	5.358	11/25/2008	\$10,013,460.95	2.37
				SUB TOTAL			\$25,044,650.00	

INVESTMENT DETAILS BY MATURITY DATE

June 30, 2006

SC RET	CFLT	225434BH1	CFLT	1ML+8 M	CREDIT SUISSE (USA) INC	5.21	6/5/2009	\$30,000,000.00	\$30,104,200.00	2.89
SC RET	CFLT	225434BJ7	CFLT	FF OPEN+17	CREDIT SUISSE (USA) INC	5.483	6/5/2009	\$30,000,000.00	\$30,103,920.83	2.89
06 SC RET	CFLT	026874BA4	CFLT	1ML+5 M	AMERICAN INTERNATIONAL GROUP	5.258	6/16/2009	\$40,000,000.00	\$40,087,635.50	2.92
106 SC RET	CFLT	46623ECJ6	CFLT	1ML+5 M	JP MORGAN CHASE & CO.	5.385	6/26/2009	\$55,000,000.00	\$55,032,908.33	2.95
					SUB TOTAL			\$1,065,424,951.76	\$1,072,540,797.45	
					INVESTMENT TYPE TOTAL			\$1,172,200,966.25	\$1,179,515,386.81	
340106 SC RET	REPO	RP0245791	REPO	COLL TREA	MORGAN STANLEY & COMPANY INC	4.6	7/3/2006	\$3,614,000.00	\$3,614,000.00	0.01
340106 SC RET	REPO	RP0245823	REPO	COLL US A	GOLDMAN SACHS & CO	5.23	7/3/2006	\$31,294,000.00	\$31,234,000.00	0.01
340106 SC RET	REPO	RP0245768	REPO	COLL US A	COUNTRYWIDE SECURITIES CORP	5.33	7/3/2006	\$200,000,000.00	\$200,000,000.00	0.01
340106 SC RET	REPO	RP0245780	REPO	COLL US A	DEUTSCHE BANK SECURITIES INC	5.35	7/3/2006	\$8,261,000.00	\$8,261,000.00	0.01
					SUB TOTAL			\$243,109,000.00	\$243,109,000.00	
					ACCOUNT TOTAL			\$2,765,576,055.49	\$2,775,443,376.47	

INVESTMENT DETAILS BY MATURITY DATE

June 30, 2006

Client ID	Client Short Name	Invest Type	CUSIP	Security Description	Issuer Name	Rate	Maturity Date	Account Value	Yield to Maturity
340037	SCEQY	ABS	031733AC2	ABS 1ML+17 M	AMORTIZING RESIDENT COLL TR 04-1 A3	5.493	9/25/2006	\$2,664,909.88	0.23
340037	SCEQY	ABS	61744CXX9	ABS 1ML+8 M	MORGAN STANLEY ABS CAP 1 06-NC1	5.403	1/25/2007	\$7,405,921.80	0.56
340037	SCEQY	ABS	86358ETX4	ABS 1ML+9 M	STRUCTURED ASSET INV LN TR 05-6 A7	5.413	6/25/2007	\$5,838,137.91	0.97
								\$15,908,969.59	
340037	SCEQY	ABS	32027NWL1	ABS 1ML+10 M	FIRST FRANKLIN MTG LN TR 2005-FF10	5.423	8/27/2007	\$15,171,484.46	1.14
340037	SCEQY	ABS	86358EWJ6	ABS 1ML+12 M	STRUCTURED ASSET INV LN TR 05-HE3A3	5.443	8/27/2007	\$4,891,731.88	1.14
340037	SCEQY	ABS	437084QS8	ABS 1ML+9 M	HOME EQUITY ASSET TR 2005-9 2A1	5.413	9/25/2007	\$36,523,782.57	1.22
340037	SCEQY	ABS	64352VNV9	ABS 1ML+8 M	NEW CENTURY HOME EQUITY LN 05-C A2	5.403	9/25/2007	\$22,433,537.98	1.22
340037	SCEQY	ABS	66536HAZ1	ABS 1ML+11 M	NOMURA HOME EQUITY LN INC 05-HE1	5.433	9/25/2007	\$12,222,075.25	1.22
340037	SCEQY	ABS	362341YX1	ABS 1ML+10 M	GOLDMAN SACHS ALT MTG 05-HE5 A2A	5.423	10/25/2007	\$31,386,594.42	1.3
340037	SCEQY	ABS	89611MUJ2	ABS 1ML+10 M	SOUNDVIEW HOME EQUITY LN TR 05-42A1	5.423	10/25/2007	\$8,949,293.57	1.3
340037	SCEQY	ABS	86358EA63	ABS 1ML+8 M	STRUCTURED ASSET INV LN TR 06-1 A1	5.403	10/25/2007	\$24,869,209.67	1.3
340037	SCEQY	ABS	86358EYD2	ABS 1ML+11 M	STRUCTURED ASSET INV LN TR 05-9 A4	5.433	10/25/2007	\$13,324,584.40	1.3
340037	SCEQY	ABS	073879W87	ABS 1ML+12 M	BEAR STEARNS ABS I TRUST 05-HE10 A1	5.443	11/26/2007	\$31,598,597.88	1.39
340037	SCEQY	ABS	542514QS6	ABS 1ML+9 M	LONG BEACH MORTGAGE LN TR 06-WL12A1	5.413	1/25/2008	\$13,195,339.50	1.55
340037	SCEQY	ABS	61744CWH5	ABS 1ML+8 M	MORGAN STANLEY ABS CAP 1 05-HE7 A2A	5.403	2/25/2008	\$15,463,525.25	1.63
340037	SCEQY	ABS	07387UEH0	ABS 1ML+8 M	BEAR STEARNS ABS I TRUST 06-HE2 1A1	5.403	3/25/2008	\$17,113,239.22	1.71
340037	SCEQY	ABS	61744CWV4	ABS 1ML+8 M	MORGAN STANLEY HOME EQ LN 06-1 A2A	5.403	4/25/2008	\$18,625,804.43	1.79
340037	SCEQY	ABS	80556XAC1	ABS 1ML+3 M	SAXON ASSET SEC TR 2006-2 A3A	5.353	4/25/2008	\$24,185,577.14	1.79
340037	SCEQY	ABS	68402CAB0	ABS 1ML+5 M	OPTION ONE MTGE LN TR 2006-2 2A1	5.4	5/26/2008	\$20,006,000.00	1.88
340037	SCEQY	ABS	04012MAP4	ABS 1ML+9 M	ARGENT SECURITIES INC 2006-M1 A2B	5.431	9/25/2008	\$14,006,335.74	2.21
340037	SCEQY	ABS	54251PAC1	ABS 1ML+9 M	LONG BEACH MORTGAGE LN TR 06-5 2A2	5.289	10/27/2008	\$2,004,701.11	2.29
340037	SCEQY	ABS	14453FAB5	ABS 1ML+9 M	CARRINGTON MTG LN TR 2006-NC2 A2	5.369	12/26/2008	\$10,014,914.94	2.45
340037	SCEQY	ABS	32028HAF0	ABS 1ML+5 M	FIRST FRANKLIN MTG LN TR 2006-FF10	5.368	12/26/2008	\$40,035,816.66	2.45
340037	SCEQY	ABS	61749KAB9	ABS 1ML+5 M	MORGAN STANLEY ABS CAP 06-WMC2 A2FF	5.391	12/26/2008	\$20,008,984.38	2.45
								\$396,031,130.45	
								\$411,940,100.04	
340037	SCEQY	BKNT	634906ED9	BKNT 3ML+3 Q	NATIONAL CITI BANK INDIANA	5.344	6/4/2007	\$21,071,631.63	0.92
								\$21,071,631.63	
340037	SCEQY	BKNT	634906FE6	BKNT 3ML-5 Q	NATIONAL CITI BANK INDIANA	5.002	10/4/2007	\$35,397,904.50	1.24
340037	SCEQY	BKNT	93933VAX6	BKNT 3ML+4 Q	WASHINGTON MUTUAL BANK	5.21	11/16/2007	\$30,199,716.67	1.36
340037	SCEQY	BKNT	90331HLA9	BKNT 1ML-4 M	US BANK NA MINNESOTA	5.111	3/31/2008	\$65,228,769.09	1.73

INVESTMENT DETAILS BY MATURITY DATE

340037	SCEQY	BKNT	92976FBC6	BKNT	3ML+4 Q	5.489	3/23/2009	\$40,048,788.89	2.69
WACHOVIA BANK NA									
SUB TOTAL									
INVESTMENT TYPE TOTAL									
340037	SCEQY	CFLT	52517PZR5	CFLT	FF OPEN+15 D	5.463	5/31/2007	\$15,066,807.29	0.9
340037	SCEQY	CFLT	41011WBW9	CFLT	1ML+15 M	5.349	12/15/2006	\$7,517,829.02	0.45
340037	SCEQY	CFLT	40429JAH0	CFLT	3ML+4 Q	5.271	6/1/2007	\$8,035,137.53	0.91
LEHMAN BROTHERS HOLDINGS									
JOHN HANCOCK GLOBAL FUND II									
HSBC (HOUSEHOLD FINANCE CORP)									
SUB TOTAL									
INVESTMENT TYPE TOTAL									
340037	SCEQY	CFLT	073928F81	CFLT	3ML+12.5 Q	5.182	7/27/2007	\$25,251,925.36	1.06
340037	SCEQY	CFLT	40429JAM9	CFLT	3ML+4 Q	5.04	10/4/2007	\$25,308,000.00	1.24
340037	SCEQY	CFLT	001383CK2	CFLT	1ML-1 M	5.198	12/17/2007	\$25,054,147.19	1.44
340037	SCEQY	CFLT	38141EKL2	CFLT	FF OPEN+16 D	5.473	12/28/2007	\$42,018,643.33	1.47
340037	SCEQY	CFLT	36962GN42	CFLT	3ML+6 Q	5.05	1/3/2008	\$15,187,270.83	1.49
340037	SCEQY	CFLT	12560PEQ0	CFLT	3ML+7 Q	5.259	2/21/2008	\$35,204,531.44	1.62
340037	SCEQY	CFLT	172967CW9	CFLT	3ML+5 Q	5.2	5/2/2008	\$35,302,585.26	1.81
340037	SCEQY	CFLT	59018YVM0	CFLT	3ML+10 Q	5.441	6/16/2008	\$25,056,673.23	1.93
340037	SCEQY	CFLT	36962GT79	CFLT	3ML+4 Q	5.04	1/5/2009	\$45,548,100.00	2.48
340037	SCEQY	CFLT	59018YWT4	CFLT	3ML+9 Q	5.239	1/30/2009	\$35,310,886.98	2.55
340037	SCEQY	CFLT	172967DG3	CFLT	3ML+4 Q	5.166	1/30/2009	\$25,218,921.83	2.55
340037	SCEQY	CFLT	617446ZA0	CFLT	3ML+11 Q	5.276	2/9/2009	\$30,233,034.38	2.57
340037	SCEQY	CFLT	38141EKM0	CFLT	FF OPEN+19 D	5.503	2/17/2009	\$10,065,065.97	2.59
340037	SCEQY	CFLT	46623ECE7	CFLT	3ML+4 Q	5.03	4/3/2009	\$50,621,763.89	2.72
340037	SCEQY	CFLT	225434BH1	CFLT	1ML+8 M	5.21	6/5/2009	\$15,052,100.00	2.89
340037	SCEQY	CFLT	225434BJ7	CFLT	FF OPEN+17 D	5.483	6/5/2009	\$15,051,960.42	2.89
340037	SCEQY	CFLT	026874BA4	CFLT	1ML+5 M	5.258	6/16/2009	\$25,054,772.19	2.92
SUB TOTAL									
INVESTMENT TYPE TOTAL									
340037	SCEQY	REPO	RP0245821	REPO	COLL US AGY C	5.23	7/3/2006	\$47,332,000.00	0.01
340037	SCEQY	REPO	RP0245780	REPO	COLL US AGY MBS D	5.35	7/3/2006	\$79,832,000.00	0.01
340037	SCEQY	REPO	RP0245786	REPO	COLL US AGY MBS D	5.35	7/3/2006	\$100,000,000.00	0.01
NOMURA SECURITIES INTL INCORPORATED									
ACCOUNT TOTAL									
								\$1,342,210,766.96	

EXHIBIT 2



SC TUITION PREPAID PROGRAM

Global Securities Lending Holdings Report

Report ID: GSL403
Reporting Currency: USD

As of 4/30/2008

CUSIP	Security Description	Maturity Date / Expected Date	Purchase Date	Settle Date	Sector Code	Ratings	S&P / Moody's	Price	Par Value	Amortized Cost	Market Value	Unrealized Gain/(Loss)	Book Yield	Days to Reset / Mat	% of Amt Cost
99ZABXPE	UBS CAT 3 REPO	05/01/08	04/30/08	04/30/08	0035			100.00	7,790,267	7,790,267	7,790,267	0	2.00	1	67.40%
Repo Total:										7,790,267	7,790,267	0	2.00	1	67.40%
Asset-Backed Floating															
84751PKT5	SURF 06-AB1	05/26/08	04/29/08	04/29/08	0036	AAA	Aaa	99.43	29,631	29,631	29,463	-168	2.98	26	0.26%
32027NVT	FIRST FRANKLIN	05/27/08	04/29/08	04/29/08	0036	AAA	N/R	99.69	23,065	23,065	22,993	-72	3.02	26	0.20%
362334BQ	GSA 06- FLTR	11/25/08	04/29/08	04/29/08	0036	AAA	Aaa	92.52	201,058	201,058	186,027	-15,031	2.98	26	1.74%
05522RBJ6	BA CREDIT CARD TRUST	08/16/10	04/29/08	04/29/08	0037	AAA	Aaa	97.82	500,000	500,000	489,080	-10,920	2.92	15	4.33%
Asset-Backed Floating										753,754	727,563	-26,191	2.94	19	6.52%
Floating Rate Notes															
59018YVM	MERRILL LYNCH	06/16/08	04/29/08	04/29/08	0025	A+	A1	99.86	500,000	500,000	499,295	-705	2.90	47	4.33%
74153WAV	PRICOA GLOBAL	03/03/09	04/25/08	04/25/08	0031	AA	A1	99.91	500,000	500,000	499,530	-470	3.14	34	4.33%
69371RZD	PACCAR FINANCIAL CORP	04/27/09	04/29/08	04/29/08	0015	AA-	A1	99.86	500,000	499,954	499,295	-659	2.96	89	4.33%
36962G3B	GENERAL ELECTRIC	08/20/10	04/29/08	04/29/08	0023	AAA	Aaa	98.33	750,000	750,000	737,460	-12,540	3.25	20	6.49%
94974BEK	WELLS FARGO &	08/20/10	04/29/08	04/29/08	0024	AA+	Aa1	99.50	750,000	750,000	746,250	-3,750	3.29	20	6.49%
Floating Rate Notes Total:										2,999,954	2,981,830	-18,124	3.13	38	25.96%
Payable/Receivable															
N/A	PREPAID BROKER				1000				318	318	318	0	0.00	0	0.00%
N/A	PAYABLE				1000				-2,081	-2,081	-2,081	0	0.00	0	-0.02%
N/A	RECEIVABLE				1000				15,385	15,385	15,385	0	0.00	0	0.13%
N/A	UNDISTRIBUTED				1000							0	0.00	0	0.00%
Payable/Receivable Total:										13,622	13,622	0	0.00	0	0.12%
Grand Total:										11,557,643	11,513,283	-44,315	2.36	12	100.00%

NAV: 0.9962



SC TREASURER-LOCAL GOVT INVEST POOL

Global Securities Lending Holdings Report

As of 4/30/2008

Report ID: GSL403
Reporting Currency: USD

CUSIP	Security Description	Maturity Date / Expected Date **	Purchase Date	Settle Date	Sector Code	Ratings S&P / Moody's	Price	Par Value	Amortized Cost	Market Value	Unrealized Gain/(Loss)	Book Yield	Days to Reset / Mat	% of Amt Cost
	Payable/Receivable													
N/A	RECEIVABLE				1000					0	0.00		0	0.00%
N/A	UNDISTRIBUTED				1000					0	0.00		0	0.00%
N/A	PAYABLE				1000					0	0.00		0	0.00%
Payable/Receivable Total:														
Grand Total:														
0 0.00 0 0.00%														

NAV: 0.0000



SC TREASURER-GENERAL DEPOSIT

Global Securities Lending Holdings Report

As of 4/30/2008

Report ID: GSL403
Reporting Currency: USD

CUSIP	Security Description	Maturity Date / Expected Date	Purchase Date	Settle Date	Sector Code	S&P / Moody's	Ratings	Par Value	Amortized Cost	Market Value	Unrealized Gain/(Loss)	Book Yield	Days to Reset / Mat	% of Amt / Cost				
															Price			
99ZABXPC	BZW CAT 3 REPO	05/01/08	04/30/08	04/30/08	0035	AAA	Aaa	40,000,000	40,000,000	40,000,000	0	2.00	1	2.90%				
99ZABXPE	UBS CAT 3 REPO	05/01/08	04/30/08	04/30/08	0035	AAA	N/R	21,878,438	21,878,438	21,878,438	0	2.00	1	1.58%				
Repo Total:													61,878,438	61,878,438	0	2.00	1	4.48%
Asset-Backed Floating																		
84751PKT5	SURF 06-AB1	05/26/08	04/29/08	04/29/08	0036	AAA	Aaa	414,834	414,834	412,486	-2,348	2.98	26	0.03%				
542514QS	LONG BEACH MORTGAGE	05/27/08	04/29/08	04/29/08	0036	AAA	N/R	8,945	8,945	8,920	-24	2.99	26	0.00%				
81376VAA5	SECURITIZED ASSET	05/27/08	04/29/08	04/29/08	0036	AAA	Aaa	1,700,703	1,700,703	1,688,509	-12,194	2.95	27	0.12%				
81378EAA	SABR 07-BR4	05/27/08	04/29/08	04/29/08	0036	AAA	Aa1	7,845,998	7,845,998	7,145,900	-700,098	2.99	26	0.57%				
86358EZQ	STRUCTURED ASSET	05/27/08	04/29/08	04/29/08	0036	AAA	Aaa	65,761	65,761	65,699	-62	2.99	27	0.00%				
04544PAB5	ASSET BACKED	07/25/08	04/29/08	04/29/08	0036	AAA	Aaa	3,276,667	3,276,667	3,218,768	-57,899	2.95	27	0.24%				
00437NAA	ACCREDITED MORTGAGE	08/25/08	04/29/08	04/29/08	0036	AAA	Aaa	3,449,042	3,449,042	3,397,686	-51,356	2.94	27	0.25%				
17309LAB1	CITIGROUP MORTGAGE	09/25/08	04/29/08	04/29/08	0036	AAA	Aaa	4,806,021	4,806,021	4,719,849	-86,172	2.95	27	0.35%				
66389BAA	OOMLT 06 FLTR 2/25/2037	10/27/08	04/29/08	04/29/08	0036	AAA	Aaa	8,719,791	8,719,791	8,422,446	-297,345	2.94	26	0.63%				
00441YB8	ACE SECURITIES CORP	11/25/08	04/29/08	04/29/08	0036	AAA	Aaa	4,593,343	4,593,343	4,287,472	-305,871	2.95	27	0.33%				
784208AB6	SG MORTGAGE	11/25/08	04/29/08	04/29/08	0036	AA	Aaa	9,170,789	9,170,789	8,055,346	-1,115,443	2.94	27	0.66%				
23384BAG	DAIMLER CHRYSLER	12/15/08	04/29/08	04/29/08	0036	AAA	Aaa	11,000,000	11,001,760	10,917,940	-83,820	2.73	15	0.80%				
61749BAB	MSAC 06- FLTR 10/25/2036	12/25/08	04/29/08	04/29/08	0036	AAA	Aaa	9,104,594	8,246,577	8,246,577	-858,017	2.96	26	0.66%				
04013BAA	ARGENT SECURITIES INC	01/26/09	04/29/08	04/29/08	0036	AAA	Aaa	9,159,280	9,159,280	8,494,774	-664,505	2.95	27	0.66%				
65536GAB	NOMURA HOME EQUITY	01/26/09	04/29/08	04/29/08	0036	AAA	Aaa	8,977,382	8,977,382	8,354,531	-622,851	2.94	26	0.65%				
54251PAC1	LONG BEACH MORTGAGE	02/25/09	04/29/08	04/29/08	0036	AAA	Aaa	10,000,000	10,000,000	9,265,200	-734,800	2.99	26	0.72%				
61749KAB	MORGAN STANLEY	03/25/09	04/29/08	04/29/08	0036	AAA	Aaa	9,818,760	9,818,760	9,086,182	-732,578	2.95	26	0.71%				
86361GAB	STRUCTURED ASSET	04/27/09	04/29/08	04/29/08	0036	AAA	Aaa	19,947,459	19,947,459	19,120,038	-827,421	2.95	27	1.44%				
00437NAB	ACCREDITED MORTGAGE	07/27/09	04/29/08	04/29/08	0036	AAA	Aaa	3,000,000	3,000,000	2,797,530	-202,470	2.99	27	0.22%				
3622MGAB	GSAMP TRUST	08/25/09	04/29/08	04/29/08	0036	AAA	Aaa	19,021,203	19,021,203	17,613,824	-1,407,379	2.95	27	1.38%				
61750MAB	MORGAN STANLEY	09/25/09	04/29/08	04/29/08	0036	AAA	Aaa	11,595,293	11,595,293	10,532,236	-1,063,056	2.98	27	0.84%				
71419CAJ9	PERMANENT 2007-1	01/15/10	04/29/08	04/29/08	0036	AAA	Aaa	10,000,000	10,000,000	9,873,438	-126,563	2.76	76	0.72%				
617463AP9	MORGAN STANLEY HOME	01/25/10	04/29/08	04/29/08	0036	AAA	Aaa	8,810,442	8,810,442	7,980,058	-830,384	2.96	27	0.64%				
05622RBJ6	BA CREDIT CARD TRUST	08/16/10	04/29/08	04/29/08	0037	AAA	Aaa	50,000,000	50,000,000	48,908,001	-1,091,999	2.92	15	3.62%				
3622EAAA	GSAH HOME EQUITY	02/25/11	04/29/08	04/29/08	0036	AAA	Aaa	11,208,193	11,208,193	8,803,139	-2,405,054	2.96	27	0.81%				
04012MAP	ARGENT SECURITIES INC	08/25/11	04/29/08	04/29/08	0036	AAA	Aaa	4,000,000	4,000,000	3,489,760	-510,240	2.99	26	0.29%				
Asset-Backed Floating									239,696,260	224,906,310	-14,789,950	2.93	26	17.36%				
Floating Rate Notes																		
172967CW	CITIGROUP VAR	05/02/08	04/28/08	04/28/08	0024	AA-	Aa2	23,000,000	23,000,000	23,000,000	0	3.16	2	1.67%				
12560PES	CIT GROUP INC	05/09/08	04/28/08	04/28/08	0023	A-	A3	30,000,000	30,000,000	29,985,901	-14,099	2.58	1	2.17%				

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SC TREASURER-GENERAL DEPOSIT

CUSIP	Security Description	Maturity Date / Expected Date	Purchase Date	Settle Date	Sector Code	S&P / Moody's	Ratings	Par Value	Amortized Cost	Market Value	Unrealized Gain / (Loss)	Book Yield	Days to Reset	% of Amt
59018YVM	MERRILL LYNCH	06/16/08	04/25/08	04/25/08	0025	A+	A1	20,000,000	20,000,000	19,971,800	-28,200	2.90	47	1.45%
59018YVQ	MERRILL LYNCH	07/07/08	04/29/08	04/29/08	0025	A+	A1	5,500,000	5,500,000	5,450,995	-49,005	2.65	1	0.40%
06050TJR4	BANK AMERICA FLTR	07/25/08	04/25/08	04/25/08	0024	AA+	Aaa	20,000,000	20,000,000	19,984,200	-15,800	2.90	26	1.45%
41366AET2	HARRIER FINANCE FDG	08/20/08	04/29/08	04/29/08	0039	AAA	Aaa	9,999,211	9,999,211	9,943,700	-55,511	2.81	20	0.72%
61744BA82	MORGAN STANLEY	11/21/08	04/25/08	04/25/08	0025	A+	Aa3	25,000,000	25,000,000	24,882,750	-117,250	2.84	21	1.81%
38141EKY	GOLDMAN SACHS GROUP	12/23/08	04/28/08	04/28/08	0025	AA-	Aa3	30,000,000	30,000,000	29,854,500	-145,500	2.56	1	2.17%
172967DG	CITIGROUP	01/30/09	04/28/08	04/28/08	0024	AA-	Aa2	16,000,000	16,000,000	15,904,960	-95,040	2.94	89	1.16%
44982XXAD	ING FUNDING LLC	02/09/09	04/28/08	04/28/08	0024	AA	Aa3	25,000,000	25,000,000	24,921,749	-78,251	3.08	9	1.81%
40429CQA	HSBC FINANCE	02/17/09	04/29/08	04/29/08	0023	AA-	Aa3	24,995,979	24,995,979	24,968,750	-27,229	2.92	19	1.81%
92976FBP7	WACHOVIA BANK	02/23/09	04/25/08	04/25/08	0024	AA	Aa1	65,000,000	65,000,000	64,552,798	-447,202	2.90	23	4.71%
06050TKJ0	BANK OF AMERICA NA	02/27/09	04/25/08	04/25/08	0024	AA+	Aaa	40,000,000	40,000,000	39,874,799	-125,201	2.89	27	2.90%
1730TDDP	CITIGROUP FUNDING	03/02/09	04/29/08	04/30/08	0024	AA	Aa3	9,996,168	9,996,168	9,934,300	-61,868	2.86	1	0.72%
635405ATO	NATIONAL CITY CORP	03/20/09	04/29/08	04/29/08	0024	A	A3	13,996,721	13,996,721	13,267,100	-729,621	2.58	51	1.01%
52517PW3	LEHMAN FLTR	03/23/09	04/25/08	04/25/08	0025	A+	A1	35,000,000	35,000,000	34,102,949	-897,051	2.67	56	2.53%
225434BH1	CREDIT SUISSE	06/05/09	04/28/08	04/28/08	0024	AA-	Aa1	20,000,000	20,000,000	19,856,200	-143,800	2.82	7	1.45%
026874BA4	AMERICAN INTL	06/16/09	04/28/08	04/28/08	0026	AA	Aa2	8,000,000	8,000,000	7,999,438	-562	2.76	19	0.58%
0258M0CU	AMIERCAN EXPRESS	09/10/09	04/28/08	04/28/08	0023	A+	Aa3	43,000,000	43,000,000	42,630,200	-369,800	3.07	12	3.11%
63866EBK	NATIONWIDE LIFE	09/15/09	04/29/08	04/29/08	0026	AA-	Aa3	4,000,000	4,000,000	3,999,360	-640	2.75	1	0.29%
36962G3G	GENERAL ELECTRIC	09/19/09	04/28/08	04/28/08	0023	AAA	Aaa	4,997,533	4,997,533	4,966,400	-31,133	2.87	1	0.36%
94974BELO	WELLS FARGO	09/23/09	04/29/08	04/29/08	0024	AA+	Aa1	4,997,871	4,997,871	4,967,150	-30,721	2.80	57	0.36%
57629WBC	MASSMUTUAL GLOBAL	09/24/09	04/29/08	04/29/08	0026	AAA	Aa1	25,000,000	25,000,000	24,823,999	-176,001	2.67	1	1.81%
61532XBP	MONUMENTAL GLOBAL	09/24/09	04/29/08	04/29/08	0026	AA	Aa3	30,000,000	30,000,000	29,645,549	-354,451	2.73	1	2.17%
026874BM	AMERICAN INTL GROUP	10/01/09	04/29/08	04/30/08	0026	AA	Aa2	24,989,338	24,989,338	24,429,750	-559,588	2.74	1	1.81%
02635PTR	AMERICAN GENERAL	10/02/09	04/28/08	04/28/08	0023	A+	A1	25,000,000	25,000,000	24,687,500	-312,500	3.04	63	1.81%
92976FBX0	WACHOVIA BANK	11/02/09	04/28/08	04/28/08	0024	AA	Aa1	15,000,000	15,000,000	14,798,400	-201,600	3.36	2	1.09%
02666QYV	AMERICAN HONDA	11/20/09	04/29/08	04/29/08	0023	A+	Aa3	55,784,690	55,784,690	55,930,000	145,310	3.38	20	4.04%
17286TDW	CITIGROUP	12/28/09	04/28/08	04/28/08	0024	AA-	Aa2	5,000,000	5,000,000	4,897,650	-102,350	2.70	61	0.36%
36962G2B	GECC FLTR	01/04/10	04/28/08	04/28/08	0023	AAA	Aaa	35,000,000	35,000,000	34,452,949	-547,051	2.73	65	2.53%
87244EAE	TIAA GLOBAL MARKETS	01/14/10	04/29/08	04/29/08	0026	AAA	Aaa	60,000,000	60,000,000	59,887,198	-112,802	2.96	75	4.34%
617446C31	MORGAN STANLEY	01/15/10	04/29/08	04/29/08	0025	A+	Aa3	25,000,000	25,000,000	24,179,501	-820,499	2.81	15	1.81%
74367FAQ	PROTECTIVE LIFE SECD	01/15/10	04/29/08	04/29/08	0026	AA	Aa3	25,000,000	25,000,000	24,644,501	-355,499	3.21	15	1.81%
36962GU8	GENERAL ELEC	01/20/10	04/29/08	04/29/08	0023	AAA	Aaa	30,021,857	30,021,857	29,835,901	-185,956	2.84	82	2.17%
634902LH1	NATIONAL CITY BANK	01/21/10	04/29/08	04/29/08	0024	A+	A2	15,014,527	15,014,527	13,650,000	-1,364,527	2.87	82	1.09%
46623EHU	JP MORGAN CHASE	01/22/10	04/28/08	04/28/08	0024	AA-	Aa2	20,000,000	20,000,000	19,950,000	-50,000	3.41	83	1.45%
59018YB34	MERR FLTR 3/23/2010	03/23/10	04/25/08	04/25/08	0025	A+	A1	25,000,000	25,000,000	23,957,001	-1,042,999	3.01	23	1.81%
46623ECX	JP MORGAN CHASE	05/07/10	04/28/08	04/28/08	0024	AA-	Aa2	15,000,000	15,000,000	14,821,799	-178,201	2.79	7	1.09%
63866EAT7	NATIONWIDE LIFE GBL FD	05/19/10	04/29/08	04/29/08	0026	AA-	Aa3	34,789,979	34,789,979	34,956,250	166,271	3.58	19	2.52%
38141ELE7	GOLDMAN SACHS GROUP	06/28/10	04/28/08	04/28/08	0025	AA-	Aa3	10,000,000	10,000,000	9,735,900	-264,100	2.77	61	0.72%

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38143UBD	GOLDMAN SACHS GROUP	06/28/10	04/29/08	04/29/08	0025	AA- Aa3	16,000,000	15,881,652	15,694,880	-186,771	3.33	61	1.15%
172967EG	CITIGROUP INC	08/13/10	04/29/08	04/29/08	0024	AA- Aa2	10,000,000	9,993,027	9,748,400	-244,627	3.25	13	0.72%
638657AEG	NATIONWIDE LIFE	08/27/10	04/29/08	04/29/08	0026	AA- Aa3	25,000,000	25,000,000	25,000,000	0	3.49	27	1.81%
46623EHM	JP MORGAN CHASE	09/24/10	04/29/08	04/29/08	0024	AA- Aa2	22,000,000	21,984,749	21,982,619	-2,129	2.95	55	1.59%
69371R31	PACCAR FINANCIAL	11/03/10	04/29/08	04/29/08	0015	AA- A1	50,000,000	50,000,000	49,897,999	-102,001	3.10	5	3.62%
Floating Rate Notes Total:							1,077,500,000	1,076,943,302	1,066,627,743	-10,315,559	2.96	30	77.98%
	Payable/Receivable												
N/A	UNDISTRIBUTED				1000				0	0.00	0	0	0.00%
N/A	RECEIVABLE				1000		2,856,366	2,856,366	2,856,366	0	0.00	0	0.21%
N/A	PAYABLE				1000		-322,438	-322,438	-322,438	0	0.00	0	-0.02%
N/A	PREPAID BROKER				1000		37,098	37,098	37,098	0	0.00	0	0.00%
Payable/Receivable Total:							2,571,026	2,571,026	2,571,026	0	0.00	0	0.19%
Grand Total:							1,381,643,964	1,381,089,025	1,355,983,517	-25,105,509	2.92	28	100.00%

NAV: 0.9818

* Estimated Book Yield for Settled Positions:
[(Coupon +/- Amortization) / Amortized Cost]

** The maturity date on certain securities, such as some asset-backed securities, reflects the expected maturity date of the asset. As such, the expected maturity can be subject to change due to changes in cash flows of underlying collateral.

Securities Lending Division Pricing Disclosures:

Prices of securities reported herein are provided by pricing vendors and ratings agencies ("pricing vendors") used by The Bank of New York Mellon (BNYM) in the ordinary course of business. Such prices are not independently verified by BNYM. Some reported prices are not updated by pricing vendors on a regular basis (and therefore are considered 'stale') and in some cases pricing vendors do not provide prices. For securities where BNYM's pricing vendors do not provide prices, BNYM may use prices (which may be indicative bids) provided by one or more dealers in such securities or by the Depository Trust Company or other securities depository (generally par value or the price paid on the last trade settled through such depository) until such time that BNYM's pricing vendor provides prices.

For securities that are new issues or securities that are not widely held or regularly traded (e.g., ABSSs, CMOs, CDOs, CLOs, CBOs, CDSs), pricing vendors may report prices based on valuation models which reflect underlying non-observable assumptions that may not be accurate or complete and such models may not be regularly adjusted.

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EXHIBIT 3

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

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: :
In re: : :
: : :
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : Case No. 08-013555 (JMP)
: : :
Debtor. : :
: : :
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**CONFIDENTIALITY STIPULATION AND PROTECTIVE ORDER BETWEEN
THE EXAMINER AND THE BANK OF NEW YORK MELLON CORPORATION**

This Stipulation (the “Stipulation” or “Protective Order”) is entered into by and between the undersigned counsel, acting for and on behalf of their respective clients:

- (a) Anton R. Valukas, Esq., in his capacity as Examiner (as defined below) appointed in the Chapter 11 Cases (as defined below) of Lehman Brothers Holdings, Inc. and its affiliated debtors and debtors in possession (the “Debtors”) in the Chapter 11 Cases, and
- (b) The Bank of New York Mellon Corporation (“The Bank of New York Mellon”).

WHEREAS, commencing on September 15, 2008 (“Commencement Date”), the Debtors commenced voluntary cases (“Chapter 11 Cases”) under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), and the Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, on January 16, 2009, the Bankruptcy Court entered an Order Directing the Appointment of an Examiner Pursuant to Section 1104(c)(2) of the Bankruptcy Code (the “Examiner Order”), and the Examiner Order, *inter alia*, ordered (i) the United States Trustee for the Southern District of New York (the “U.S. Trustee”)

to appoint an examiner (the “Examiner”), and (ii) the Examiner to conduct an investigation into certain specified matters and to perform the duties set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code (collectively, and as may be amended and/or supplemented by a Bankruptcy Court order, the “Examiner Investigation”);

WHEREAS, on January 19, 2009, pursuant to the Examiner Order, the U.S. Trustee appointed Anton R. Valukas as Examiner and the Bankruptcy Court approved the appointment by Order dated January 20, 2009;

WHEREAS, the Examiner has requested that The Bank of New York Mellon produce certain documents and provide information relevant to the Examiner Investigation (all documents and information provided by The Bank of New York Mellon to the Examiner, the “Discovery Materials”);

WHEREAS, The Bank of New York Mellon has requested, and the Examiner has agreed, that certain Discovery Materials be subject to a protective order, pursuant to Fed. R. Bankr. P. 7026, to protect the confidentiality of sensitive information; and

WHEREAS, the Examiner and The Bank of New York Mellon have entered into this Stipulation and agreed to be bound by its terms;

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND UPON COURT APPROVAL HEREOF, IT IS ORDERED THAT:

1. The Bank of New York Mellon may designate as “Highly Confidential” that portion of any Discovery Materials that The Bank of New York Mellon in good faith believes meets any of the following criteria in subparagraphs (a) - (g) below, provided that “Highly Confidential” information shall not include: information that is at any time independently developed by the Examiner without use of or reliance upon any of The

Bank of New York Mellon's Discovery Materials; information rightfully acquired by the Examiner from an independent source without restrictions as to use; information that was, prior to disclosure, rightfully in the possession or knowledge of the Examiner; information that is publicly available in substantially the same form in which it was provided by The Bank of New York Mellon; information that was, is or becomes public knowledge, not in violation of this Protective Order; or information that is voluntarily de-designated by The Bank of New York Mellon. Subject to these conditions and limitations, The Bank of New York Mellon may designate the following as "Highly Confidential":

(a) information that identifies specific securities, loans, instruments or other property now or previously held, maintained or possessed by The Bank of New York Mellon or any of its customers and which is not related to the Debtors, except that The Bank of New York Mellon may designate as "Highly Confidential" information that identifies specific securities, loans, instruments or other property of or formerly of the Debtors that is currently held, maintained or possessed by The Bank of New York Mellon;

(b) information that identifies and specifically relates to current or former customers of The Bank of New York Mellon other than the Debtors, including, without limitation, matters pertaining to such customers' accounts, credit exposure, appraisals, financial condition or valuations;

(c) information concerning The Bank of New York Mellon's employee and executive compensation;

(d) information that is proprietary and competitively sensitive and/or that

reveals The Bank of New York Mellon's methodology in regard to risk-rating, valuation or other forms of financial or credit analysis;

(e) information that reveals personal financial or other personal data of a personal or intimate nature regarding any individual that will cause undue harm to the reputation of or embarrassment to such individual;

(f) information that The Bank of New York Mellon is required by law or regulation to protect from disclosure; or

(g) any other category of information hereinafter given "Highly Confidential" status by agreement between the Examiner and The Bank of New York Mellon.

2. The Bank of New York Mellon may designate as "Confidential" that portion of any Discovery Material that The Bank of New York Mellon in good faith believes meets any of the following criteria in subparagraph (a) below, provided that "Confidential" information shall not include: information that is at any time independently developed by the Examiner without use of or reliance upon any of The Bank of New York Mellon's Discovery Material; information rightfully acquired by the Examiner from an independent source without restrictions as to use; information that was, prior to disclosure, rightfully in the possession or knowledge of the Examiner; information that is publicly available in substantially the same form in which it was provided by The Bank of New York Mellon; information that was, is or becomes public knowledge, not in violation of this Protective Order; or information that is voluntarily de-designated by The Bank of New York Mellon. Subject to these conditions and limitations, The Bank of New York Mellon may designate the following as "Confidential":

(a) any category of information hereinafter given "Confidential" status by agreement between the Examiner and The Bank of New York Mellon.

3. The Bank of New York Mellon may designate Discovery Materials as Confidential or Highly Confidential by applying the applicable legend to the Discovery Materials. In the case of data stored in electronic form, the applicable legend, if any, shall be printed on the cover or container of the disk, tape, or other medium in which the electronic form data is stored.

4. Discovery Materials that have been designated Highly Confidential shall be maintained in confidence and shall not be shared by the Examiner with any person other than: (i) persons who authored or who were the original recipients of the document at issue; (ii) Jenner & Block, in its capacity as counsel to the Examiner, including Jenner & Block attorneys, legal assistants, paralegals, secretarial, and other staff; (iii) professional firms or persons as are retained by the Examiner to provide specialized advice in connection with the Examiner Investigation, including their staff, and including Duff & Phelps; (iv) outside vendors such as copy services or document management vendors used by the Examiner; (v) the Bankruptcy Court (in accordance with Paragraph 8); and (vi) other persons upon further order of the Court or consent of The Bank of New York Mellon. In the event the Examiner in good faith believes that providing Highly Confidential materials to a witness or other person providing information to the Examiner would assist the Examiner in carrying out his duties, the Examiner shall provide notice to The Bank of New York Mellon of the materials he seeks to use (except with respect to interviews of persons who authored or who were the original recipients of the document at issue, provided that no other parties are present at the interview), and the parties shall

use their best efforts within five business days to allow the use of such material while protecting The Bank of New York Mellon's need for confidentiality, including, but not limited to, considering whether portions of such material can be redacted, re-evaluating whether such material must be protected as "Highly Confidential," or considering other provisions to allow the Examiner to carry out his duties while protecting the confidentiality of The Bank of New York Mellon information. In the event the Examiner and The Bank of New York Mellon cannot resolve an issue concerning the use of "Highly Confidential" information, the matter may be presented to the Bankruptcy Court for resolution on an expedited basis.

5. Discovery Materials that have been designated Confidential (but not Highly Confidential) may be shown to any of the individuals or entities identified in Paragraph 4, as well as to witnesses or other persons who are providing information to the Examiner in connection with the Examiner Investigation (without providing notice to The Bank of New York Mellon) provided that counsel for the Examiner has provided such person with a copy of this Protective Order and such person has executed a Non-Disclosure Declaration in the form annexed as an Exhibit hereto. If Confidential or Highly Confidential information is the subject of testimony during a deposition or other recorded interview, then it shall be indicated on the record by counsel for the Examiner (or, if counsel for The Bank of New York Mellon is present, by counsel for The Bank of New York Mellon) that a question, or a line of questioning concerning a particular subject matter, calls for Confidential or Highly Confidential information, in which case the transcript of the designated testimony shall be bound in a separate volume and marked as "Confidential Information Governed by Protective Order" by the reporter, and

any transcripts of such testimony shall be treated as Confidential or Highly Confidential documents, as the case may be.

6. Counsel for the Examiner shall provide a copy of this Protective Order to a representative of any professional firm, vendors or individual other than Jenner & Block who is retained by the Examiner, and the firm or vendor representative or individual, as the case may be, must execute a Non-Disclosure Declaration in the form annexed as an Exhibit hereto prior to the firm or individual receiving any Highly Confidential or Confidential information.

7. If at any time The Bank of New York Mellon determines or realizes that certain testimony or some portion(s) of Discovery Materials that it previously produced should be designated as Confidential or Highly Confidential, The Bank of New York Mellon may apprise the Examiner in writing, and such designated testimony or portion(s) of Discovery Materials will thereafter be treated as Confidential or Highly Confidential under the terms of this Agreement, provided, however, that The Bank of New York Mellon shall, at its cost, provide the Examiner with substitute copies, bearing the appropriate legend, of any such Discovery Materials.

8. All Confidential and Highly Confidential information filed with the Bankruptcy Court, and all portions of pleadings, motions or other papers filed with the Bankruptcy Court that disclose such Confidential or Highly Confidential Discovery Materials, shall be filed under seal with the Clerk of the Court and kept under seal until further order of the Bankruptcy Court.

9. In the event the Examiner objects to any designation of testimony or Discovery Materials as Confidential or Highly Confidential, the Examiner shall so inform

The Bank of New York Mellon, stating the grounds of the objection, and the parties shall have seven business days to attempt to resolve the Examiner's objection, at the end of which the Examiner may seek a ruling from the Bankruptcy Court that such information should not be treated as Confidential or Highly Confidential, provided that no Confidential or Highly Confidential information shall be filed in the public record prior to such a determination by the Court, and provided further that the burden shall be on The Bank of New York Mellon to justify the claim that disputed material has been properly designated.

10. In the event the Examiner is required by law to provide Confidential or Highly Confidential material to any third party, the Examiner shall first provide prompt prior written notice to counsel for The Bank of New York Mellon and The Bank of New York Mellon shall be given a reasonable opportunity to seek protection from a court.

11. To the extent that documents produced pursuant to this Protective Order are later produced to a third party in response to lawful process, The Bank of New York Mellon's designation of documents as "Confidential" or "Highly Confidential" under this Protective Order shall not be binding on such third party.

12. This Protective Order shall survive the termination of the Examiner Investigation.

13. The Examiner will use all documents and information produced by the Bank of New York Mellon solely for the purpose of the Examiner Investigation.

Dated: New York, New York
November 17, 2009

THE BANK OF NEW YORK MELLON
CORPORATION

By: /s/ Seth C. Farber
Seth C. Farber
Kelly A. Librera

DEWEY & LEBOEUF LLP
1301 Avenue of the Americas
New York, New York 10019
Telephone: (212) 259-8000
Facsimile: (212) 259-6333

*Attorneys for The Bank of New York
Mellon Corporation*

ANTON R. VALUKAS, ESQ.,
EXAMINER

By: /s/ Robert L. Byman
Robert L. Byman

JENNER & BLOCK LLP
919 Third Avenue
37th Floor
New York, New York 10022
Telephone: (212) 891-1600

*Attorneys for Anton R. Valukas, Esq.,
Examiner*

SO ORDERED this 3rd day of December, 2009

s/ James M. Peck
HONORABLE JAMES PECK
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT

NON-DISCLOSURE DECLARATION

I, _____, declare under penalty of perjury, the following:

I reside at _____ in the City/County of _____ and State of _____;

I have read the annexed Confidentiality Stipulation and Protective Order between the Examiner and The Bank of New York Mellon Corporation, dated November 11, 2009, in the matter entitled *In re Lehman Brothers Holdings, Inc., et al.*, Case No. 08-13555 (JMP), which is pending in the United States Bankruptcy Court for the Southern District of New York;

I am fully familiar with and agree to comply with and be bound by the provisions of that Protective Order and consent to the jurisdiction of the United States Bankruptcy Court for the Southern District of New York; and

I will not divulge to persons other than those specifically authorized by the Protective Order, and will not copy or use, except solely for the purpose of this litigation, any information designated as Confidential or Highly Confidential.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Dated: _____

EXHIBIT 4

Highly Confidential New York Fed Information

Lucinda M Brickler /NY/FRS
07/16/2008 10:40 AM

To Timothy Geithner/NY/FRS@FRS,
Chris.McCurdy@ny.frb.org, Patrick M
Parkinson/BOARD/FRS@BOARD
cc Annette Giuliano/NY/FRS@FRS, Antoine
Martin/NY/FRS@FRS, Arthur Angulo/NY/FRS@FRS, Carol
Grunwald/NY/FRS@FRS, Helen Ayala/NY/FRS@FRS,
bcc
Subject talking points for dimon kelly meeting 7 17

Tim

Here are the talking points we have developed for the meeting tomorrow w/Dimon and Kelly regarding near-term measures to enhance the stability of the triparty repo market. We will discuss these with you this morning from 11:30-11:45. I will bring copies.

Also attached is our plan and the talking points we have developed for our discussions with the dealers.

Lucinda



triparty repo talking points.doc dimon kelly 7 17.doc short term improvements to tri-party.doc

Lucinda Brickler
Payments Policy Function
Federal Reserve Bank of New York
212.720.6132 or 646.720.6132

Talking Points

Near-term Measures to Enhance the Stability of the
Triparty Repo Market

Triparty Repo Borrowers (and their regulators)

1. Conditions in global credit markets remain fragile.
 - The Federal Reserve is strongly committed to supporting the stability and improved functioning of the financial system. We are currently monitoring developments in financial markets closely and considering several options with respect to the PDCF and TSLF, including extending the duration of these facilities for primary dealers beyond year end.
 - In this context, the Federal Reserve believes that market participants, specifically large, triparty repo borrowers, should begin taking incremental steps to improve the resilience of this critical market over the near term.
2. Over the next two quarters, triparty repo borrowers should develop and implement a plan to achieve a meaningful reduction in their reliance on overnight secured financing of assets that are not highly liquid, do not have a high degree of price transparency, or could experience high degrees of negative price volatility during a market stress event.
 - As we witnessed in the case of Bear Stearns, overnight secured financing can disappear suddenly when a firm undergoes a major stress event.
 - This concern is particularly acute for the collateral classes referenced above including equities and equity derivatives, corporate bonds, private label CMOs, asset backed securities, municipal bonds, commercial paper and whole loans—essentially all collateral that is not Fedwire-eligible.
 - These assets currently collateralize 25 percent of the \$2.5 trillion of aggregate triparty repo borrowing.
3. Reducing reliance on overnight financing for these assets will enhance the stability of this critical market in the following ways:
 - Reduces exposure of borrowers to rollover risk.
 - In the event of the default of a large borrower, the potential for systemic risk to materialize could be reduced. Potential propagators of systemic risk include:
 - a. Creditors of the defaulted borrower could initiate a fire sale of the less liquid assets resulting in steep losses not only for themselves, but for others holding similar assets who must mark to market.

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Internal F.R.

DRAFT

- b. Lenders may broadly lose confidence in the triparty repo mechanism as they realize diminished liquidity and/or losses, reducing financing options for other triparty repo borrowers.

4. The Federal Reserve is requesting that all large triparty repo borrowers:

- Report on the current levels of overnight secured financing including amounts, asset classes, tenor, and counterparties by July 18.
- Present a plan by August 15 that demonstrates how the firm will reduce reliance on overnight secured financing for less liquid collateral over the next two quarters. The plan should include any triparty repo activity engaged in by the bank, as well as the U.S. broker dealer, and should cover the borrower's proprietary financing as well as financing for any matched book or client positions.

5. Examples of acceptable alternative financing options for less liquid collateral could include:

- Term financing within the triparty repo mechanism with appropriately staggered maturities
- Unsecured, medium- or long-term debt issuance
- Committed facilities
- Increased use of the TSLF is one way to reduce reliance on overnight secured funding for certain collateral classes, but please keep in mind that the TSLF is a temporary facility of limited size. As such, it will be no more than a bridge (of uncertain duration) for use as an alternative to reduced overnight secured funding.

6. Examples of unacceptable outcomes include:

- A destabilizing fire sale of less liquid collateral to reduce inventory rapidly
- Financing via other overnight secured financing markets (e.g., DVP repo, securities lending transactions)
- Financing via other short-term unsecured financing markets

7. Over the longer run, the market must adopt changes that will improve credit and liquidity risk management practices and reduce the systemic risks inherent to triparty repo.

- The Federal Reserve will work with all industry participants and other interested parties to identify and implement longer term enhancements.

8. Ultimately, the Federal Reserve has concluded that overnight triparty repo financing should be reserved for collateral that is highly liquid, enjoys a high

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Internal F.R.

DRAFT

degree of price transparency, as well as low price volatility. Although these measures will likely increase the cost of financing certain assets, all market participants will be served by reducing their direct vulnerability to loss of access to financing, as well as reduced vulnerability of being affected by the systemic consequences generated by a problem at another firm.

9. If you have specific questions, it would be very helpful to us to receive them in writing.

EXHIBIT 5

on@frb.gov

07/20/2008 12:42
PM

Chairman Bernanke

To

Kevin.Warsh@frb.gov,
scott.alvarez@frb.gov,
brian.f.madigan@frb.gov

cc

Subject
Our Options in the Event of a Run
on LB

The short answer is the one that Tim gave to the FOMC on Wednesday: There are no good options.

Here is my version of the long answer.

Focusing for the moment on LB's vulnerable tri-party borrowings, as of July 14 it was financing \$200 billion of collateral. Of that amount, all but \$12.8 billion was PDCF-eligible. Of the non-PDCF-eligible, \$8.7 billion was equities.

JPMC, LB's clearing bank, is likely to be the first to realize that the money funds and other investors that provide tri-party financing to LB are pulling back significantly. If some morning it fears that the investors are unlikely to roll their repos, it may threaten not to unwind LB's previous night's repos. If it did that, LB would be done because the tri-party investors would control its securities inventory. The investors presumably would promptly liquidate the \$200 billion of collateral and there is a good chance that investors would lose confidence in the tri-party mechanism and pull back from funding other dealers. Fear of those consequences is, of course, why we facilitated Bear's acquisition by JPMC.

We could try to dissuade JPMC from refusing to unwind by pointing out that if the investors don't roll the repos LB can borrow from us through the PDCF. Even if we did so, for two reasons JPMC might still balk. The first is the non-PDCF collateral. We could address that concern by making the equities and other non-PDCF collateral eligible. Or we could try to get LB to wire \$12.8 billion of cash into JPMC to cover the rollover risk. The other reason is a fear that LB could be placed in bankruptcy intra-day, before the next day's tri-party repos and any PDCF loans are settled, in which case JPMC would be stuck with \$200 billion in secured loans to LB. I'm not sure that this is at all likely, but JPMC and BNYM are sufficiently concerned that they have arranged a meeting Monday afternoon with SIPC. (LB's PD is a SIPC member (as are some but not all of the other PDs) and its bankruptcy would be administered by SIPC.) Board staff plan to sit in on this meeting.

But even if we are willing to extend as much as \$200 billion of financing to LB, absent an acquirer our action would not ensure LB's survival. If stigma associated with PDCF borrowing is justified, LB likely would face other (non-tri-party) liquidity demands and I'm not sure whether its liquidity resources would allow it to meet them. (Presumably our PD supervisory team has a better idea but any judgment is likely to be qualified.) So we would have protected LB's tri-party counterparties but not its other counterparties (e.g, securities (mainly equities) borrowers and lenders and derivatives counterparties). Further, the demonstration of our willingness to lend large amounts through PDCF may not reassure tri-party investors that the mechanism is safe, especially if they start asking about our remaining capacity to meet further runs. That's not to imply that it would not be worth the gamble, but it would be a gamble.

Pat

EXHIBIT 6

From: Fielding, Stirling [sfieldin@lehman.com]
Sent: Wednesday, September 10, 2008 12:02 PM (GMT)
To: Birney, Janet [jbirney@lehman.com]
Subject: RE: Agent Bank Update Europe

Agree - my view is that we are too busy right now to be worrying over this. We should put the 500mm on and then look to discuss intraday etc..

However, if Steve Engel says he really needs the liquidity that might change things.

-----Original Message-----

From: Birney, Janet
Sent: Wednesday, September 10, 2008 12:53 PM
To: Fielding, Stirling
Subject: RE: Agent Bank Update Europe

I think the broader points are the \$5.1B in financing that we don't want to lose the new trade they did yesterday and the buyer of our debt. The economics of the \$600 million don't make sense to argue over as we invest \$15B with them. I will send the new trade details under a separate mail.

-----Original Message-----

From: Fielding, Stirling
Sent: Wednesday, September 10, 2008 7:30 AM
To: Birney, Janet
Subject: RE: Agent Bank Update Europe

I received this info from Emil, trying to understand what that means. But generally I take away that we have a bigger relationship with these guys and they appear broadly supportive to the firm. But these notes don't give a lot.

BK has been supportive throughout market disruption and strong advocate for Lehman with its clients McDade, Lowitt, Tonucci met w/ Hassell, Pres. 09/03/08--LEH 3rd qtr results; BK concern on intraday exposures ~ \$600 M+ LEH pays fees ~ \$15M+ (corp tr, Aurora, triparty, Alpha Funds) TY invests \$15B in MoneyFunds Direct portal BK provides large commitments totalling \$175 M in LEH flagships-- TY looking for secured equity financing BK= major sec lending counterparty (\$5.1B+ in financing to LEH) Largest buyer of LEH debt - \$1.4 B in 2007 IMD ask: ? AUM in LEH liquidity funds (BK has \$1.5 B invested) BK mandated LEH in July on an M&A transaction for its custody and processing business. We are now in the process of signing the engagement letter. This is highly visible since IBD only began covering BK's custody and processing businesses from a strategic (as opposed to funding) perspective in 2007 and Goldman has historically been mandated. This decision reflected the strong growth in the Lehman relationship with BK. Fees: \$6mm-\$8mm with up-side. LEH consistently named Co-Lead Manager on BK debt issuances

-----Original Message-----

From: Birney, Janet
Sent: Wednesday, September 10, 2008 12:27 PM
To: Fielding, Stirling
Subject: Re: Agent Bank Update Europe

Thanks any news on the secured funding

----- Original Message -----

From: Fielding, Stirling
To: Birney, Janet
Sent: Wed Sep 10 07:24:48 2008
Subject: RE: Agent Bank Update Europe

It was all chase I think

-----Original Message-----

From: Birney, Janet
Sent: Wednesday, September 10, 2008 12:17 PM
To: Fielding, Stirling
Subject: Fw: Agent Bank Update Europe

Nobody will buy?

----- Original Message -----

From: Pellerani, Carlo
To: Rees, Huw; Creditor Relations (Global); Fielding, Stirling
Cc: Goldband, Craig; Rushton, Dave; Fleming, Dan (TSY); Jones, Craig L; Birney, Janet; Ito, Gregory
Sent: Wed Sep 10 07:14:13 2008
Subject: RE: Agent Bank Update Europe

Bear in mind all overnight ECP will become 0 as of today so BONY should be happy puppies

From: Rees, Huw
Sent: 10 September 2008 12:01
To: Pellerani, Carlo; Creditor Relations (Global); Fielding, Stirling
Cc: Goldband, Craig; Rushton, Dave; Fleming, Dan (TSY); Jones, Craig L; Birney, Janet; Ito, Gregory
Subject: Agent Bank Update Europe

Summary of Conversations and Open Items

BNY Mellon

Wanting to get Deposit Agreement signed

- * Emil -- can you provide colour on what was discussed in recent meeting with Renyi in regard to this agreement
- * Carlo, Stirling -- will provide update on the proposed deposit mechanics separately

HSBC

- * London Deposit Agreements signed and returned
- * Watching our cash position on minute by minute basis
- * Need to manage them

JPM

- * No current issues

Citibank

- * Managing within the \$2B limit is very tight -- it would be very helpful if we could increase the amount to \$3B
- * Updated custody and clearing documentation -- Citi feel that the old agreements give them no protection - would like us to get the new doc signed soon
- * Would like us to consider changing our CLS membership to 3rd party as this would give Citi a better overview of the payment flows

EXHIBIT 7

From: Igoe, Joseph [joseph.igoe@lehman.com]
Sent: Wednesday, August 20, 2008 2:13 PM (GMT)
To: Cornejo, Emil [emil.cornejo@lehman.com]; Kettle, Graham [gkettle@lehman.com]
Subject: FW: BNY Mellon Intraday

Emil,
I am passing this on to Graham Kettle, who manages most, if not all of these flows, to look at. I've left you a voice mail. Thanks.

Joseph A. Igoe
Director
Treasury- Creditor Relations
> LEHMAN BROTHERS
> 25 Bank Street | London, E14 5LE
> * Direct: +44 (0)20 710 25489
> * Mobile: +44 (0)7768 487903
> * E-mail:joseph.igoe@lehman.com

>
>
>
>
>

> From: Cornejo, Emil
> Sent: 20 August 2008 15:08
> To: Igoe, Joseph; Rees, Huw; Fielding, Stirling; Birney, Janet
> Cc: Pellerani, Carlo; Boyle, Julie; Tonucci, Paolo
> Subject: BNY Mellon Intraday
>
> Received a call from Terry Law, Global RM. He has asked us to begin
> prefunding of our European CP and MTN programs to eliminate corporate
> trust intraday exposures. He has indicated that intraday usage can
> exceed \$600 M. Pls let me have your feedback on our ability to manage
> the cash flows to eliminate intraday exposure. Thanks
>

EXHIBIT 8

DATED 11 September 2008

LEHMAN BROTHERS HOLDINGS INC.
as Depositor

THE BANK OF NEW YORK MELLON, LONDON BRANCH
as Account Bank

COLLATERAL DEPOSIT AGREEMENT

***berwin leighton paisner**
Berwin Leighton Paisner LLP
Adelaide House London Bridge London EC4R 9HA
tel +44 (0)20 7760 1000 fax +44 (0)20 7760 1111

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DATED 11 September 2008

PARTIES

- (1) **LEHMAN BROTHERS HOLDINGS INC.**, with its registered office c/o Corporation Service Company, 2711Centreville Rd., Ste. 400 Wilmington, Delaware 19808, USA (the "**Depositor**")
- (2) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a banking corporation organised pursuant to the laws of the State of New York and operating through its London Branch at One Canada Square, London E14 5AL, England (the "**Account Bank**")

BACKGROUND

- (A) The Bank of New York Mellon, London Branch and/or its Affiliates ("**BNYM**") provide various paying agency and other services in respect of debt instruments issued or guaranteed by the Depositor or the Relevant Programme Entities.
- (B) Pursuant to the Programme Documentation, BNYM has the right but not the obligation to make various payments on behalf of the Relevant Programme Entities or any of them, and in making such payments, extends intra-day credit to the Relevant Programme Entities.
- (C) The parties have agreed that the Depositor will collateralise the obligations of the Relevant Programme Entities to repay amounts expended by BNYM pursuant to the Programme Documentation by depositing and maintaining the Required Collateral into the Collateral Account at the Account Bank.
- (D) The Account Bank has agreed to open and maintain a US Dollar account in the name of the Depositor on the terms and subject to the conditions contained in this Agreement:
- (E) On the execution of this Agreement, the Depositor shall deposit the Required Collateral into the Collateral Account. Further deposits may be required in accordance with Clause 3 (*Determination of Collateral*) hereof.

OPERATIVE PROVISIONS

1 DEFINITIONS AND INTERPRETATION

- 1.1 Words and expressions shall, unless the context otherwise requires, have the following meanings in this Agreement:

"**Affiliate**" means in relation to any person, a subsidiary, within the meaning of s 76 of the Companies Act 1985, of that person or a holding company of that person or any other subsidiary of that holding company;

"**Authorised Person**" means the Depositor or any person who is designated in writing by the Depositor from time to time to give Instructions to BNYM under the terms of this Agreement;

"**Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which banks are open for business in London and New York;

"Collateral Account" means the account number 141375 in the name of Depositor held with the Account Bank.

"Deposit" means all the Depositor's rights, title, benefit and interest in and to the Collateral Account and all monies (including accrued interest) from time to time standing to the credit of the Collateral Account or receivable in relation to it, and the debts represented by all the foregoing;

"Determination Date" means each Business Day falling two Business Days prior to any Payment Date;

"Eligible Investments" means:

- (a) any investment denominated in US Dollar that it is an obligation of the Account Bank or an Affiliate of the Account Bank; or
- (b) any on-shore money market funds rated, at all times, "AAA" or "AAAm-G" by S&P and "Aaa/MRI+" by Moody's which are acceptable to the Account Bank.

"Instructions" means any notices, directions or instructions (whether written or oral) received by BNYM in accordance with Clause 2.5 (*Instructions*) from an Authorised Person or a person reasonably believed by BNYM to be an Authorised Person.

"Minimum Collateral" means US Dollar 50 million or such other amount as is agreed between the parties hereto;

"Payment Date" means any date upon which a payment is required to be made by or through BNYM under the Programme Documentation;

"Programme Documentation" means all legal documentation (as amended) related to the issuance of securities by the Relevant Programme Entity;

"Relevant Programme Entity" means any of the entities listed at Schedule 2, as such Schedule may be amended from time to time and Relevant Programme Entities means all of them;

"Required Collateral" means as at the date of this Agreement US Dollar 125 million and thereafter such other amount as is determined by BNYM following the reconciliation set out in Clause 3.1 (*Collateral Reconciliation and Further Deposit*) and notified to the Depositor;

"Secured Liabilities" means all present and future monies, obligations and liabilities (whether actual or contingent, whether owed jointly or severally or in any other capacity whatsoever) of the Depositor under this Agreement or of the Relevant Programme Entities under the Programme Documentation, to BNYM;

"Security Interest" means any mortgage, charge, pledge, hypothecation, lien, assignment, title retention, option, right of set-off, security interest, trust arrangement and any other preferential right or agreement to confer security and any transaction which, although in legal terms is not a secured borrowing, has an economic or financial effect similar to that of a secured borrowing;

"Threshold Amount" means US Dollar 5 million or such other amount as is agreed between the parties;

- 1.2 In this Agreement and in any agreement, investment or deed expressly and specifically incorporating this Agreement by reference, the following shall apply:
- (a) the headings and contents pages in this Agreement shall not affect its interpretation. References in this Agreement to "**Clauses**", "**Annexures**", "**Exhibits**" and "**Schedules**" shall, unless the context otherwise requires, be references to Clauses of and Schedules, Annexures and Exhibits to this Agreement;
 - (b) all references to costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis;
 - (c) references in this Agreement to any person shall include references to his permitted successors, transferees, assigns and assignees and any person deriving title under or through him, whether in security or otherwise, whomsoever;
 - (d) references to a "**person**" shall be construed as a reference to any person, firm, company, body corporate, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing, and includes any successor or lawful assign of any of the foregoing;
 - (e) This Agreement shall be deemed also to refer to this Agreement as amended, restated, modified, novated, supplemented or replaced from time to time in accordance with its terms and to any agreements, deed or document executed pursuant thereto and, without limitation, in the case of any insurance contract, to any endorsement thereto;
 - (f) references in this Agreement to any statutory provision shall be deemed also to refer to any statutory modifications or re-enactments thereof and to any statutory instruments, orders or regulations made thereunder or under any such re-enactments; references to "**assets**" includes present and future properties, revenues and rights of every description;
 - (g) all references to guarantees or to an obligation being guaranteed shall be deemed to include respectively references to indemnities or any indemnity being given in respect thereof;
 - (h) references to an "**authorisation**" includes an authorisation, consent, approval, resolution, licence, exemption, filing or registration;
 - (i) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (j) references to any action, remedy or method of judicial proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of judicial proceeding described or referred to in this Agreement;

- (k) references to a time of day shall be construed as a reference to London time;
- (l) references to "set-off" include analogous rights and obligations in other relevant jurisdictions;
- (m) references to "USD", "US Dollars" or "\$" are to the lawful currency for the time being of the United States of America ; and
- (n) in this Agreement and in any agreement, instrument or deed expressly and specifically incorporating this Agreement by reference:
 - (i) words denoting the singular number only shall include the plural number also and vice versa; words denoting one gender only shall include the other gender;
 - (ii) references to a company shall be construed so as to include any company, corporation or other body corporate wherever and however incorporated or established;
 - (iii) any reference to a day shall mean a period of 24 hours running from midnight to midnight; and
 - (iv) all references to any action, remedy or method of judicial proceeding for the enforcement of the rights of creditors shall be deemed to include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceeding for the enforcement of the rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate to such action, remedy or method of judicial proceeding described or referred to in this Agreement.

1.3 Where any party to this Agreement from time to time acts in more than one capacity under this Agreement, the provisions of this Agreement shall apply to such party as though it were a separate party in each such capacity.

2 ESTABLISHMENT OF COLLATERAL ACCOUNT AND DEPOSIT

2.1 Appointment

The Depositor hereby appoints the Account Bank as its agent to carry out and perform the services of the Account Bank on the terms and subject to the conditions set out in this Agreement. The Account Bank hereby accepts such appointment.

2.2 Establishment

2.2.1 The Account Bank confirms to the Depositor that the Collateral Account has been opened by the Depositor with the Account Bank pursuant to the relevant account mandate substantially in the form of Schedule 1 (*Account Mandate*) (the "**Account Mandate**"). The Collateral Account is an interest bearing account which will be operated in accordance with this Agreement.

2.2.2 The Depositor confirms to the Account Bank that it has delivered the Account Mandate to the Account Bank. In the event of any inconsistency between this Agreement and the Account Mandate, the terms of this Agreement shall apply.

- 2.2.3 Subject to Clause 4 (*Set-Off*), the Account Bank shall comply with any direction of the Depositor to effect a payment by debit from the Collateral Account if such direction is in writing or through electronic banking software and complies with the applicable Account Mandate and the terms of this Agreement.
- 2.2.4 Any amount standing to the credit of the Collateral Account shall bear interest as agreed in writing between the Account Bank and the Depositor, such interest to be credited to the Collateral Account, as applicable. Such amount of interest, and the period and credit balances on the Collateral Account, as applicable, in respect of which it has been earned, shall be notified by the Account Bank as soon as reasonably practical, at the written request of the Depositor, by way of electronic file containing such information.
- 2.2.5 Notwithstanding anything to the contrary in the Account Mandate, the Account Bank shall not be obliged to make any payment as instructed pursuant thereto prior to deduction of amounts pursuant to the set off provisions of Clause 4 (*Set-Off*).

2.3 Deposit

The Depositor shall, on execution of this Agreement, deposit the Minimum Collateral in cleared funds to the Collateral Account, as established pursuant to this Agreement, and shall ensure, thereafter that the Required Collateral is deposited to such account in accordance with clause 3.

2.4 Authorisation

- 2.4.1 The Account Bank is authorised and regulated by the Financial Services Authority ("FSA"). Words or expressions defined in the rules made by FSA under the Financial Services and Markets Act 2000 ("FSA Rules") have the same meanings when used in this Clause, save where the context otherwise requires
- 2.4.2 Nothing in this Agreement shall require the Account Bank to carry on an activity of the kind specified by any provision of Part II (other than article 5 (accepting deposits)) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, or to lend money to the Depositor.
- 2.4.3 If the Account Bank agrees to carry on an activity of the kind specified by article 14 (dealing in investments as principal), 21 (dealing in investments as agent) or 40 (safeguarding and administering investments) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, it will do so in accordance with Schedule 4 (*Standard Custody Terms*), which shall have effect subject to any contrary provisions in this Agreement.
- 2.4.4 Nothing in this Agreement shall require the Account Bank to assume an obligation of any Relevant Programme Entity arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides FSA).
- 2.4.5 The Account Bank shall be obliged to perform such duties and only such duties as are expressly set out in this Agreement and no implied duties or obligations of any kind (including without limitation duties or obligations of a fiduciary or equitable nature) shall be read into this Agreement against the Account Bank.
- 2.4.6 The Account Bank shall be entitled to take any action or to refuse to take any action which the Account Bank in good faith regards as necessary for the Account Bank to comply with any applicable law, regulation or fiscal requirement, or the

rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system.

- 2.4.7 In acting under this Agreement, the Account Bank shall act solely as an agent of the Depositor and as principal and will not assume any obligation or responsibility towards or relationship of agency or trust for or with any of the owners of any securities issued by any Relevant Programme Entity.
- 2.4.8 The Account Bank shall have no duty or responsibility in the case of any default by any Relevant Programme Entity in the performance of its obligations under the Programme Documentation.
- 2.4.9 The Account Bank shall be protected and shall incur no liability for or in respect of any action taken, omitted or suffered in reliance upon any instruction, request or order from any Relevant Programme Entity (as the case may be) or any document which it reasonably believes to be genuine and to have been delivered by the proper party or parties or upon written instructions from the Relevant Programme Entity (as the case may be).
- 2.4.10 The Account Bank shall not be under any obligation to take any action under this Agreement which it expects will result in any expense or liability accruing to it, the payment of which within a reasonable time is not, in its opinion, assured to it.

2.5 **Instructions**

- 2.5.1 Any notice, Instructions or other communication to a party hereto given hereunder shall be given to it in the English language in accordance with Clause 13 (*Notices*). All such notices and other communications shall be effective when received.
- 2.5.2 The Depositor accepts that facsimile and email communication are not secure and Account Bank shall incur no liability for receiving Instructions from or transmitting data to the Depositor or Authorised Persons via any such non-secure method.
- 2.5.3 Account Bank is authorised to comply with and rely upon any such notice, Instructions or other communications believed by it to have been sent to or given by an Authorised Person. The Depositor shall use all reasonable endeavours to ensure that Instructions transmitted to Account Bank pursuant to this Agreement are completed and correct. Any Instructions shall be conclusively deemed to be valid Instructions from the Depositor to the Account Bank for the purposes of this Agreement.
- 2.5.4 The Depositor shall provide, and shall procure that each of its appointed agents provides Account Bank with a certificate in the form of the Appendix to Schedule 1 (*Account Mandate*) containing the names, telephone numbers and specimen signatures of each Authorised Person. Account Bank is authorised to comply with and rely upon any such notices, Instructions or other communications believed by it to have been sent or given by an Authorised Person. The Depositor and any Authorised Person may amend such certificate or add any person to or delete any person from such certificate by delivering a replacement certificate to Account Bank. However until Account Bank actually receives such replacement certificate, Account Bank may rely upon and shall incur no liability for relying upon the original certificate.
- 2.5.5 For the avoidance of doubt, nothing in this Agreement shall give rise to an obligation of the Account Bank to make any payments pursuant to the Programme Documentation and the Account Bank expressly reserves its right not to make such

payments in the event that it considers, in its sole discretion, there to be insufficient funds deposited in the Collateral Account.

3 **DETERMINATION OF COLLATERAL**

3.1 **Collateral Reconciliation and Further Deposit**

3.1.1 On each Determination Date (which for the avoidance of doubt may be each Business Day), the Account Bank shall determine the amount to be paid under the Programme Documentation on the next following Payment Date (the "**Payment Amount**"). Such Payment Amount shall be expressed in US Dollars and the parties agree that if any amounts to be paid under the Programme Documentation are to be paid in any currency other than US Dollars, the Account Bank shall use the spot rate of exchange quoted by the Account Bank at or about 11.00 a.m. on the Determination Date for the purchase of the such currency with US Dollars, to determine the Payment Amount.

3.1.2 In the event that the Payment Amount so determined by the Account Bank exceeds the amount on deposit in the Collateral Account (including any amounts invested in Eligible Investments) on such Determination Date (the "**Shortfall**"), the Account Bank shall notify the Depositor of any such Shortfall at or around 12.30pm (London time), but in no event later than close of business (London time), on the Determination Date (the "**Request for Collateral**").

3.1.3 By no later than the close of business on the Business Day following the Determination Date, the Depositor shall deposit an amount equal to the Shortfall in the Collateral Account for value on such date, provided that if the Shortfall is less than or equal to the Threshold Amount, in which case the Account Bank shall not make a Request for Collateral, requiring the Depositor to deposit any additional collateral.

3.1.4 The Depositor acknowledges that the Account Bank may, in the event that there remains a shortfall in the Required Collateral on the Payment Date following a Request for Collateral, make no further payments under the Programme Documentation from its own funds and any such payment required to be made by BNYM under the Programme Documentation shall be made only when the relevant cleared funds are received by BNYM.

3.1.5 If at any time the amount on deposit in the Collateral Account is greater than the Required Collateral in respect of the immediately following Payment Date (as reasonably determined by the Account Bank), the Account Bank shall notify the Depositor and shall follow the Depositor's instructions for any transfer to the Depositor or its nominee of such excess amounts in accordance with the Account Mandate.

3.2 **Withdrawal of Collateral by the Account Bank**

3.2.1 In the event that BNYM expends its own funds to make any payments pursuant to the Programme Documentation in accordance with such Programme Documentation and it does not receive reimbursement of such funds within three Business Days of such expenditure (the "**Reimbursement Amount**"), the parties hereto agree that the Account Bank shall be entitled to withdraw an amount equal to the Reimbursement Amount (converted at the Account Bank's spot rate of exchange if such amount is not in US Dollars from the Collateral Account).

3.2.2 The Account Bank shall notify the Depositor, as soon as practicable, of the Reimbursement Amount to be withdrawn from the Collateral Account, after such amount has become due pursuant to Clause 3.2.1.

4 **SET-OFF**

4.1 **Set-Off of claims**

Subject to clause 4.3 below the Account Bank may set off any obligation due from any Relevant Programme Entity to BNYM (including, for the avoidance of doubt, any payments made on behalf of the Relevant Programme Entity by BNYM pursuant to the Programme Documentation) under the Programme Documentation against any amounts standing to the credit of the Collateral Account. If the obligations are in different currencies, the Account Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of such set-off. For the avoidance of doubt, the Depositor agrees that any instruction given by it pursuant to this Agreement for the payment of or withdrawal of funds from the Collateral Account shall be effected by the Account Bank only to the extent that no amounts would otherwise be owing to the Account Bank or BNYM pursuant to this Clause 4 (*Set-Off*).

4.2 **Contractual right of set off**

Subject to clause 4.3 below in addition to any general lien, right to combine or consolidate accounts, set-off or other similar right to which BNYM may be entitled by contract, at law or otherwise, BNYM may, at any time without notice to, the Depositor, set-off, convert, transfer or apply the Deposit (whether monies forming the Deposit are un-matured deposits or deposits in respect of which the appropriate notice of termination has not been given or otherwise) in or towards the payment and discharge of the Secured Liabilities.

4.3 **Exercise of Rights of set-off**

The Account Bank's rights under clause 4.1 and 4.2 above shall be exercisable at any time on or after the date falling 1 day after the obligation owed by the Relevant Programme Entity to BNYM arises unless the Account Bank in its sole discretion determines that an event or circumstance has occurred that would have a material adverse effect on the ability of a Relevant Programme Entity to meet its obligation to BNYM in which case such rights shall be immediately exercisable. The Account Bank shall promptly notify the depositor after any exercise by it of any of its rights under this clause 4.

5 **SECURITY**

5.1 **Covenant to Pay**

The Depositor covenants with BNYM that it shall, on demand, pay and discharge the Secured Liabilities when they are respectively due in the manner provided in this Agreement.

5.2 **First fixed charge**

The Depositor with full title guarantee charges the Deposit by way of first fixed charge in favour of BNYM for the payment and discharge of the Secured Liabilities which fixed charge shall be enforceable by the Account Bank by exercising its rights under clauses 3.2.1, 4.1 and 4.2 of this Agreement.

5.3 **Condition for withdrawal**

Subject to Clause 3 (*Determination of Collateral*), BNYM may, from time to time in its absolute discretion, permit the Depositor to withdraw monies from the Collateral Account pursuant to Instructions, without thereby obliging BNYM to permit any further withdrawal or in any way affecting the Depositor's obligations under this Agreement, and neither this right of withdrawal nor a withdrawal shall constitute a waiver of the rights of BNYM hereunder including BNYM's rights as regards the balance, from time to time, of the Deposit.

5.4 **Negative Pledge**

5.4.1 The obligations assumed by the Depositor in this Clause 5.4 (*Negative Pledge*) shall apply throughout the duration of this Agreement.

5.4.2 The Depositor shall not, without the prior written consent BNYM, create or allow to subsist any Security Interest on or over the Deposit or the Collateral Account.

5.4.3 The Depositor shall not, without the prior written consent of BNYM, sell, transfer, alienate or otherwise deal with the Deposit or the Collateral Account or attempt or agree to do.

6 **ELIGIBLE INVESTMENTS**

6.1 The Account Bank shall (save to the extent that the Account Bank is entitled to make any withdrawal from the Collateral Account pursuant to Clause 3 or Clause 4) invest the sums standing to the credit of the Collateral Account, in accordance with the investment instructions of the Depositor substantially in the form set out in Schedule 3 (*Form of Investment Instructions*), or such other form as agreed between the parties from time to time, in Eligible Investments.

6.2 Any investments or other assets received or held by the Account Bank for or on behalf of the Depositor will be held by the Account Bank in accordance with its standard terms and conditions applying to the custody of investments as in force at the date hereof, as set out in Schedule 4 (*Standard Custody Terms*) (receipt of which is hereby acknowledged by the Depositor), which shall have effect subject to any contrary provisions in this Agreement.

6.3 Any dealing in investments by the Account Bank as agent for or on behalf of the Depositor will be effected by the Account Bank only on the conditions set out in, and in accordance with Schedule 4 (*Standard Custody Terms*). Where a choice of investments is to be made, then in the absence of specific instructions from the Depositor, instructions shall be taken to have been given to the effect that the choice of investments is immaterial. The Account Bank is not acting under this Agreement as investment manager or adviser to the Depositor, and nothing in this Agreement shall be construed as requiring the Account Bank to manage investments within the meaning of article 37, or to advise on investments within the meaning of article 53, of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001. In no event shall the Account Bank be responsible or liable to any person for the choice or performance of any investments provided always that the Account Bank complies with its obligations under this Clause.

6.4 The Account Bank shall act in good faith in investing and/or reinvesting in Eligible Investments, but gives no warranty as to, and shall not be responsible for the performance or profitability (whether as to capital or income) of any such

investments. The Account Bank shall not be responsible or liable to any person for the performance of the Eligible Investments;

- 6.5 The Account Bank shall not be responsible or liable to any person for determining whether an Eligible Investment is a "qualifying asset" for tax purposes or whether any amounts are required to be paid with respect to stamp duty in any relevant jurisdiction; and
- 6.6 The Account Bank may aggregate a customer order with an own account order or with an order from a market counterparty or with another customer order provided that it is likely that the aggregation will not work to the disadvantage of each of the customers concerned and the Account Bank has disclosed to each customer concerned (as it is disclosing here to the Depositor) that the effect of aggregation may work on some occasions to its disadvantage. Expressions used in this Clause 6 (*Eligible Investments*) have the same meaning as in the rules made by the Financial Services Authority under FSMA.

7 COSTS, EXPENSES AND LIABILITY

7.1 Costs and Expenses

- 7.1.1 The Depositor shall reimburse the Account Bank promptly for all out of pocket costs and expenses properly incurred by the Account Bank in the performance of the services hereunder.
- 7.1.2 The costs and expenses payable to the Account Bank for services rendered and the performance of its obligations under this Agreement will not be abated by any other remuneration receivable by the Account Bank or (to each of their knowledge) an Affiliate thereof in connection with any transaction effected by the Account Bank with or for the Depositor.
- 7.1.3 The Depositor agrees to pay any and all stamp and other documentary taxes or duties which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement by the Account Bank.
- 7.1.4 The Depositor hereby indemnifies and holds harmless the Account Bank and its directors, officers, employees and agents at the time of such demand, against any liabilities, losses, damages, actions, proceedings, claims or demands which it or any of them may incur or be subject to in consequence of this Agreement or as a result of the performance of the functions and services provided for hereunder provided that this indemnity shall not apply (i) to the extent that such liabilities, losses, damages, actions, proceedings, claims or demands have been caused by the gross negligence, fraud or wilful misconduct of the Account Bank, or (ii) to any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special or consequential damages, whether or not the Depositor has been advised of the possibility of such loss or damages. This indemnity shall expressly inure to the benefit of any director, officer, employee or agent existing or future and to the benefit of any successor of the Account Bank hereunder.

7.2 Liability

- 7.2.1 Save as otherwise provided in this Agreement, the Account Bank shall have no liability for the obligations of the Depositor or otherwise and nothing herein shall constitute a guarantee, or similar obligation by the Account Bank of the Depositor in respect thereof.

- 7.2.2 Notwithstanding any other provision of this Agreement the Account Bank will only be liable to the Depositor for losses, liabilities, costs, expenses and demands arising directly from the performance of its duties under this Agreement suffered by or occasioned to the Depositor to the extent that the Account Bank has been grossly negligent, fraudulent or in wilful default in respect of its duties under this Agreement. In no event shall the Account Bank be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special or consequential damages, whether or not the Account Bank has been advised of the possibility of such loss or damages.
- 7.2.3 Nothing in this Agreement shall exclude or restrict any duty or liability which the Account Bank may have to the Depositor under FSMA.
- 7.2.4 The liability of the Account Bank under Clause 7.2 (*Liability*) will not extend to any amounts arising through any acts, events or circumstances not reasonably within its control, or resulting from the general risks of investment in or the holding of assets in any jurisdiction, including, but not limited to amounts arising from, nationalisation, expropriation or other governmental actions; any law, order or regulation of a governmental, supranational or regulatory body; regulation of the banking or securities industry including changes in market rules or practice, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; the failure of any relevant exchange or clearing house; natural disasters or acts of God; war, terrorism, insurrection or revolution; and strikes or industrial action.

7.3 **Conflict**

The Account Bank may effect transactions in which the Account Bank has, directly or indirectly, a material interest or a relationship of any description with another party which may involve a potential conflict with the Account Bank's duty to the Depositor. The Account Bank shall not be liable to account to the Depositor for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions. The Account Bank may, in exceptional circumstances, deal in investments as principal with the Depositor. None of the services to be provided by the Account Bank hereunder nor any other matter shall give rise to any fiduciary or equitable duties which would prevent or hinder the Account Bank or any associate in transactions with or for the Depositor.

7.4 **Covenant to release**

Once all the Secured Liabilities have been discharged in full the Account Bank shall, at the request and cost of the Depositor take any action which may be necessary to release the Deposit from the security constituted by this Agreement.

8 **SERVICES NON-EXCLUSIVE**

Nothing in this Agreement shall prevent the Account Bank from rendering account bank services similar to those provided for in this Agreement to other persons, firms or companies carrying on business similar to or in competition with the business of the Depositor.

9 **MERGER AND CONSOLIDATION**

Any corporation into which the Account Bank may be merged or converted, or with which they may be consolidated, or any corporation or association resulting from

any merger, conversion or consolidation to which the Account Bank shall be a party, or any corporation or association to which all or substantially all of the corporate trust business of such entities may be sold or otherwise transferred, shall be the successor, (as the case may be) hereunder without any further act.

10 FURTHER ASSURANCES

10.1 The parties hereto agree that they shall co-operate fully to do all such further acts and things and execute any further documents as may be necessary or reasonably desirable to give full effect to the arrangements contemplated by this Agreement.

10.2 The Depositor shall, upon request by the Account Bank as soon as practicable, give to the Account Bank such powers of attorney or other written authorisations or mandates and instruments as are necessary to enable the Account Bank to perform its obligations under this Agreement, provided that the Account Bank shall not be liable for any failure to perform its services hereunder as a result of such powers of attorney, other written authorisations, mandates or instruments not having been given to it.

11 ASSIGNMENTS AND TRANSFERS

11.1 The Account Bank shall not be entitled to assign or transfer all or part of its rights and benefits or obligations hereunder except to a new account bank pursuant to Clause 9 (*Merger and Consolidation*) or unless:

- (a) The Depositor consents in writing to the assignment or transfer; or
- (b) the assignee or transferee agrees in writing to be bound by the terms of this Agreement.

11.2 The Depositor may not transfer or assign its rights or obligations under this Agreement to any other party without the written consent of the Account Bank.

12 CONFIDENTIALITY

Any party hereto shall not, during the continuance of this Agreement or after its termination, disclose to any person, firm or company whatsoever (except with the authority of the other party) any information which the other party has acquired under or in connection with this Agreement other than:

- (a) in connection with any proceedings arising out of or in connection with this Agreement;
- (b) if required to do so by an order of a court of competent jurisdiction whether in pursuance of any procedure for discovering documents or otherwise;
- (c) pursuant to any law or regulation or requirement of any governmental agency in accordance with which such party is required to act;
- (d) to any governmental, banking or taxation authority or competent jurisdiction; or
- (e) to its employees, officers and those of its Affiliates, and its auditors or legal or other professional advisers,

provided that the above restriction shall not apply to:

- (a) information already known to a recipient otherwise than in breach of this Clause 12 (*Confidentiality*);
- (b) information also received from another source on terms not requiring it to be kept confidential; and
- (c) information which is or becomes publicly available otherwise than in breach of this Clause 12 (*Confidentiality*);

13 **NOTICES**

13.1 Unless stipulated otherwise herein, any notice or other communication under this Agreement:

- (a) shall be in writing in the English language;
- (b) shall be given in one of the ways referred to in Clause 13.2; and
- (c) shall be sent to the party to whom it is to be given at the applicable address or number, and marked for the attention, if any, as set forth in Clause 13.3; provided that a party may, by notice to the other parties, change the address, telephone number, fax number and marking details for notices or other communications to be given to it under this Agreement. The change shall take effect on the date stated in the notice or if no date is stated, on the date which is seven calendar days after the notice is deemed given under Clause 13.2.

13.2 Any such notice or other communication shall be deemed to be given:

- (a) if delivered in person, or by courier, or by post, at the time when it is delivered; or
- (b) if sent by fax, at the time when the complete fax is received in legible form (it being agreed that a transmission report generated by the sender's fax machine is sufficient evidence of such receipt),

except that any notice or communication which would, under the above provisions, be deemed to be given outside local business hours shall instead be deemed to be given at the beginning of the next following local business hours. In this Clause 13.2, "**local business hours**" means 9.00 am to 5.00 pm on a day other than a Saturday, Sunday or public holiday in the place where the notice is to be received.

13.3 The addressees, relevant addressee, facsimile numbers and, if relevant, process agent details of the parties for the purpose of Clause 13.1 are as follows:

Depositor: Lehman Brothers Holdings Inc.

Address: c/o 25 Bank Street, London, E14 5LE

Fax:

For the attention of: Graham Kettle

Process Agent for the

Depositor: Lehman Brothers International (Europe)

Address: 25 Bank Street, London, E14 5LE

Fax:

Account Bank: Address: One Canada Square, London E14 5AL

Fax:

For the attention of:

Without prejudice to any other provision hereof, if one or more provisions hereof is or becomes invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party or parties shall not, to the fullest extent permitted by applicable law, render invalid, illegal or unenforceable such provision or provisions in any other jurisdiction or with respect to any other party or parties hereto. Such invalid, illegal or unenforceable provision shall be replaced by the parties with a provision which comes as close as reasonably possible to the commercial intentions of the invalid, illegal or unenforceable provision.

14 **AMENDMENTS**

This Agreement may only be amended in writing by the parties hereto.

15 **NO THIRD PARTY RIGHTS**

A person who is not party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 (the "**Act**"), but this shall not affect any right or remedy of a third party which exists or is available apart from the Act.

16 **LAW AND JURISDICTION**

16.1 **Governing law**

This Agreement is governed by, and shall be construed in accordance with, English law.

16.2 **Appropriate forum**

16.2.1 Each party irrevocably agrees that the English courts have jurisdiction to hear and determine any Proceedings and to settle any Disputes and each party irrevocably submits to the jurisdiction of the English courts.

16.2.2 Any Proceedings may be taken in the English courts.

16.2.3 Each party also irrevocably waives (and irrevocably agrees not to raise) any objection which it might any time have on the ground of *forum non conveniens* or on any other ground to Proceedings being taken in any court referred to in this Clause 16 (*Law and Jurisdiction*), and agrees that any judgment in Proceedings taken in any such court shall be conclusive and binding on it and may be enforced in any other jurisdiction.

17 **AGENT FOR SERVICE**

17.1 Each of the parties (each, an "**Appointing Party**") above which is stated to have a process agent (in each case, the "**Process Agent**") irrevocably appoints such Process Agent to be their respective process agents to accept on their respective behalves services of any writs, summons, claim forms, orders, judgments or other documents ("**Service Document**") relating to or in connection with any Proceedings in England and Wales. Each relevant Appointing Party shall give notice in writing to the relevant parties of any change of its Process Agent. If any Process Agent (or any replacement agent appointed pursuant to this Clause) at any time ceases for any reason to act as such or ceases to have an address for service in England or Wales, the Appointing Party shall promptly appoint a replacement agent to accept such service having an address for service in England or Wales and shall notify each relevant party of the name and address of the replacement agent. Failing such appointment and notification, within 14 days after demand by the other party. In this Clause 17 (*Agent For Service*) "**Replacement Process Agent**" means any replacement agent so appointed by the relevant Appointing Party, and whose name and address has been so notified, to the other party.

17.2 Each of the Appointing Parties irrevocably agrees that any Service Document may be sufficiently and effectively served on it in connection with Proceedings in England and Wales by service on its Process Agent or, if there is a Replacement Process Agent, its Replacement Process Agent.

17.3 Any Service Document served pursuant to this Clause 17 (*Agent For Service*) shall be marked for the attention of the relevant Process Agent (or, if there is a Replacement Process Agent, of the relevant Replacement Process Agent) at the relevant Process Address and left at or sent by first class post to the relevant Process Address. A copy of any Service Document served pursuant to this Clause 17 (*Agent For Service*) shall be sent by post to the relevant Appointing Party, but no failure or delay in so doing shall prejudice the effectiveness of service of the Service Document. In this Agreement "Process Address" means the address of the Process Agent given in this Agreement or, if there is a Replacement Process Agent, the Replacement Process Agent's address referred to in Clause 17.1 or such other address within England or Wales of the Process Agent or of any Replacement Process Agent, as the case may be as may be notified to each relevant party.

17.4 **Counterparts**

This Agreement may be executed (manually or by facsimile) in one or more counterparts, and each such counterpart (when executed) shall be an original. Such counterparts shall together constitute one and the same instrument.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

Schedule 1
Account Mandate

The Depositor provides the following Instructions.

- 1 The account 141375 in the name of the Depositor held with The Bank of New York Mellon (the "**Account Bank**") acting through its office at One Canada Square, London E14 5AL (the "**Collateral Account**") will be used to provide collateral for the benefit of the Account Bank in respect of any payments it may make under the Programme Documents.
- 2 The mandate given to the Account Bank by virtue of this document (the "**Mandate**") is given on the basis that the Account Bank complies with the procedure set out in, and the terms of, this document.
- 3 In relation to the Collateral Account, the Account Bank is instructed and authorised to:
 - (a) honour and comply with all cheques, drafts, bills, payments by way of the Clearing House Automated Payment System, promissory notes, acceptances, negotiable instruments and orders expressed to be drawn, accepted, made or given and all directions given in writing or by way of electronic impulses ("**Instructions**") in respect of the Collateral Account; and
 - (b) honour and comply with all instructions to deliver or dispose of any securities, documents or property held by the Account Bank in connection with the Collateral Account; and
 - (c) treat all Instructions and directions in favour of the Collateral Account as being endorsed on behalf of the Depositor and to deal with them,in each case subject to the provisions of this Agreement and to the extent that compliance with the same should not result in a debit balance provided that any such Instructions, directions, other instructions and/or endorsements are given as follows:
 - (i) with the acknowledgement of the Depositor of the provisions of Clause 3 (*Determination of Collateral*); and
 - (ii) after the deduction of any amounts by way of set off in accordance with Clause 4 (*Set-Off*); and

Furthermore, in consideration of the Account Bank agreeing at the Depositor's request and, subject to the foregoing provisions of this paragraph 3, at the Account Bank's absolute discretion to rely upon and act in accordance with any notice, instruction, demand or other communication which may from time to time be, or purport to be, given by facsimile in respect of any payments to be made from the Collateral Account and appearing to be signed in accordance with this Mandate without any enquiry on the Account Bank's part as to the authority or identity of the person giving or purporting to give such notice, instruction, demand or other communication.

- 4 This Mandate is given on the basis that the Account Bank acknowledges that:
 - (a) the Account Bank will be supplied with a list of names of signatories in relation to the Collateral Account and the Account Bank is authorised to act on any

information given by an authorised signatory of the Depositor as to any changes thereon;

- (b) the Account Bank is authorised to act on payment instructions (including instructions regarding withdrawals and transfers from the deposit accounts and settlement instructions (including standard settlement instructions)) received by it from the Depositor, and to effect payments including third party payments on account thereof, if given to the Account Bank in writing or by unauthenticated facsimile purporting to be signed on behalf of the Depositor by any two of the persons designated Authorised Persons in the Appendix attached hereto;
 - (c) any changes made by the Depositor to standard settlement instructions must be advised to the Account Bank in similar manner;
 - (d) the Account Bank will be furnished with copies of the resolution authorising this mandate, duly certified as true, complete, and up-to-date by an authorised signatory of the Depositor and that the Account Bank shall be notified in writing immediately, and provided with copies of, any subsequent changes or amendments to that resolution; and
 - (e) the Account Bank is authorised to provide the Depositor's auditors from time to time with such information as they may request concerning any account or transactions of the Depositor with the Account Bank.
- 5 This shall constitute the Depositor's mandate to the Account Bank and remain in force until a resolution to amend this Mandate shall be duly approved by an authorised signatory and a copy thereof, certified by any authorised signatory of the Depositor is received by the Account Bank.
- 6 This Mandate is subject to the provisions of the Collateral Deposit Agreement between, among others, the Depositor and the Account Bank and dated [•] 2008. Capitalised terms used but not defined in this Mandate shall have the same meaning given to such terms in the Collateral Deposit Agreement.

Lehman Brothers Holdings Inc.

Authorised signatory

Authorised signatory

Appendix

Specimen signatories certificate of Depositor

**Schedule 2
Relevant Programme Entities**

LEHMAN BROTHERS (LUXEMBOURG) EQUITY FINANCE S.A
LEHMAN BROTHERS BANKHAUS AG
LEHMAN BROTHERS FINANCE S.A.
LEHMAN BROTHERS HOLDINGS INC
LEHMAN BROTHERS SECURITIES N.V
LEHMAN BROTHERS TREASURY CO BV
LEHMAN BROTHERS (UK) CAPITAL FUNDING 1 LP
LEHMAN BROTHERS (UK) CAPITAL FUNDING 2 LP
LEHMAN BROTHERS (UK) CAPITAL FUNDING 3 LP
LEHMAN BROTHERS (UK) CAPITAL FUNDING 4 LP

**Schedule 3
Form of Investment Instructions**

AUTHORIZATION AND DIRECTION TO THE BANK OF NEW YORK MELLON TO INVEST CASH BALANCES IN MONEY MARKET MUTUAL FUNDS

CUSTOMER NAME (the "Customer"): Lehman Brothers Holdings Inc__

ACCOUNT (the "Account"): __Collateral Account_

AGREEMENT (Description): Collateral Account Agreement

ACCOUNT NUMBER: 141375

FUND CHOICE (the "Fund"): _Dreyfus Cash Management Plus

SHARE CLASS: Institutional (Cusip 261934103) (TAS Code 9999176)

These instructions supersede any previous instructions which pertain to the investment of cash in the Account.

AUTHORIZATION AND DIRECTION

The Bank of New York Mellon ("BNYM") is hereby authorized and directed to invest any available cash in the Account in shares of the Fund and to redeem shares of the Fund to meet the cash requirements of the Account. Customer may, from time to time, direct BNYM in writing to redeem and exchange shares of the Fund for shares of, or to invest available cash or the proceeds from any redemption in, another eligible investment and BNYM shall comply with such direction. Customer represents and warrants to BNYM that it is authorized and empowered to direct BNYM to make the investment specified herein and that the investment authorized herein is an authorized investment.

PROSPECTUS: Customer has read the Prospectus of the Fund and has independently made the determination to direct BNYM to invest available cash in the Account in shares of the Fund. Customer understands that the Fund is not an obligation of, or recommended, endorsed or guaranteed in any way by, BNYM, its affiliates or any other bank; that the Fund is not insured by an agency or instrumentality of the United States, such as the Federal Deposit Insurance Corporation; and that investments in the Fund may be subject to investment risks, including possible loss of the principal amount invested. Customer further understands that, other than with respect to the BNYM Hamilton Funds and the Dreyfus Funds, neither BNYM nor its affiliates has participated in the preparation of the Prospectus or is responsible for its content. With respect to the BNYM Hamilton Funds and the Dreyfus Funds, Customer understands, and hereby acknowledges, that BNYM and /or its affiliates provide investment advisory and other services to the BNYM Hamilton Funds and the Dreyfus Funds, and are compensated for such services.

PERIODIC STATEMENTS: Customer agrees that transactions in the Fund will be reported only in BNYM's regular periodic account statements.

VOTING SHARES: Customer assumes the obligation and retains the right to vote all shares of the Fund held by BNYM for the benefit of the Account.

SHAREHOLDER SUPPORT SERVICES FEES: Customer acknowledges that BNYM performs certain shareholder support services for the Fund and is currently compensated, and hereby consents to such compensation, for such services by the Fund, the Fund's adviser and/or the Fund's distributor at an annual rate of 0.10% based upon the Account's average net assets invested in the Fund. Such shareholder support services may include, without limitation, answering client's inquiries regarding the Fund, processing dividend payments for the Fund and providing assistance to clients in changing dividend options, account designations and addresses, aggregating and processing purchase and redemption transactions, providing periodic statements showing a client's account balance and showing their purchases, sales and positions in the Fund, arranging for BNYM wires, providing sub-accounting services to the Fund for shares held by BNYM clients and forwarding communications from the Fund to BNYM clients and such other information and

services as the Fund, the Fund's distributor or Customer reasonably may request. Customer further acknowledges that the Fund may purchase securities from or through BNYM or its affiliates, may engage in repurchase transactions with BNYM or its affiliates, may place funds on deposit in accounts with BNYM or its affiliates and receive interest income thereon and may obtain other services from BNYM for which BNYM is paid a fee.

The annual rate for the Shareholder Support Services Fees that is paid to BNYM by the Fund may change in the future. To obtain any future revised Shareholder Support Service Fee rate paid to BNYM, Customer should contact the BNYM officer responsible for the Account. To arrange to automatically receive any future revised Shareholder Support Service Fee rate, Customer must send a request by e-mail to GCTPRR@BNYMellon.com.

INVESTMENT MAINTENANCE FEE: BNYM will charge an investment maintenance fee with respect to investments in the Fund, calculated at an annual rate of up to 0.00 basis points on average total monthly account balances. The investment maintenance fee will be charged [monthly/quarterly/yearly].

CUSTOMER ACKNOWLEDGEMENT: The Customer acknowledges and represents to BNYM that it has made its own decision to invest available cash in the Account in shares of the Fund, and BNYM and its representatives have not recommended or endorsed the Fund or required that the Fund be utilized for this purpose. The Customer further acknowledges that it has the right to direct BNYM to invest available cash in a different investment option selected by the Customer from time to time, subject to any operational and legal requirements related to such investment option.

This Authorization and Direction is executed, acknowledged and consented to at

_____, _____ on _____

London United Kingdom 11 September 2008

Lehman Brothers Holdings Inc.

By (Signature): _____

Name (Print): _____

Title: _____

Schedule 4
Standard Custody Terms

For the purposes of this Schedule, "**Funds**" means any money market funds or other investments selected by the Depositor, as may be designated by Depositor in accordance with the provisions of this Agreement from time to time and all interest, dividends, payments and other distributions thereon (collectively "**Distributions**"), which shall from time to time be delivered to or received by BNYM for deposit in or otherwise held in the Collateral Account (Funds and Distributions together with cash are collectively referred to in this Schedule as "**Property**")

BNYM is hereby authorized to receive all Property delivered to BNYM from time to time for deposit in the Account and shall arrange for the safekeeping of such Property, either in its own facilities or with the issuer of such Funds. Property may be registered in the name of a nominee controlled by BNYM or any other manner permitted by the rules of the FSA. BNYM shall not be under any duty to verify the terms and conditions applicable to subscriptions for shares in the Funds and shall be entitled to rely on the information given to it by the Issuer. BNYM is also hereby authorized to endorse Property and to make, execute, acknowledge and deliver any and all documents or instruments (including but not limited to all declarations, affidavits and certificates of ownership) that may be necessary or proper to effectuate the powers and authority granted herein. The Depositor's Property may be held in a commingled client securities account (with assets of other customers of BNYM) and will be treated as fungible with all other securities of the same issue held in such account by BNYM. Individual entitlements may not be identifiable by separate certificates, physical documents or equivalent electronic records. In the event of an irreconcilable shortfall after the failure of BNYM, BNYM's clients may share in that shortfall in proportion to their original share of the assets in the pool. Where the Depositor's Property is pooled with the assets of other clients of BNYM, BNYM will credit the Collateral Account with the Depositor's pro rata entitlement to distributions that accrue to the Depositor. Where shares in Funds are held outside of the United Kingdom, different settlement, legal and regulatory requirements and different practices relating to the separate identification of those shares may apply which are different to those in the United Kingdom or the Depositor's jurisdiction (as the case may be).

EXECUTION PAGE

Acting by)
Signed by a duly authorised attorney of)
Lehman Brothers Holdings Inc. by:)

Authorised signatory

Authorised signatory

Signed by a duly authorised attorney of)
The Bank of New York Mellon, London)
Branch by:)

Gerard Barber