Lehman Brothers Inc. Trustee Sets Distribution Fund of $4.6 Billion for Unsecured General Creditors

First Interim Distribution on Allowed Claims Planned for September

New York, NY, August 15, 2014 – James W. Giddens, Trustee for the liquidation of Lehman Brothers Inc. (LBI) under the Securities Investor Protection Act, today filed a notice regarding the first interim distribution to unsecured general creditors with allowed claims, setting the fund for the distribution at $4.6 billion. This first interim distribution to unsecured general creditors follows the ability to satisfy 100 percent of all customer claims and secured and priority general creditor claims. Distributions to unsecured general creditors will begin on or about September 10, 2014.

"This first interim distribution to unsecured general creditors totaling billions of dollars is a milestone in administering and winding down the LBI estate," Giddens said. "That such a distribution is even possible represents an extraordinary achievement that was far from certain when the liquidation began. We expect additional distributions to unsecured general creditors, while maintaining appropriate reserves and protecting claimants' interests and due process rights."

Taking into account required reserves, LBI general estate assets available for distribution total $4.7 billion. Of this amount, the Trustee has set a fund of $4.6 billion, or approximately 97 percent of the total available, for the first interim distribution. The Trustee has allocated approximately $3.5 billion for allowed unsecured general creditor claims and approximately $1.1 billion for still pending unsecured general creditor claims. These allocations represent 17 percent of the total amount of these claims.

At the outset of the LBI liquidation, the extent of customer distributions was unknown and the potential for a general estate was in doubt. Customer claims have been paid in full, and now with the planned first interim distribution, more than $110 billion will have been distributed from the LBI estate to customers and general creditors. This represents the largest distribution across the worldwide Lehman insolvency proceedings, and it would not have been possible without the assistance of the Securities Investor Protection Corporation and the Securities and Exchange Commission, and the oversight of United States Bankruptcy Court judges, the Honorable James M. Peck and the Honorable Shelley C. Chapman.

Media Contact for the Trustee:
Jake Sargent
jsargent@apcoworldwide.com
202-569-5086