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Lehman Brothers Inc.

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

In re

LEHMAN BROTHERS INC.,

Debtor.

Case No. 08-01420 (SCC) SIPA

**TRUSTEE'S TWELFTH INTERIM REPORT
FOR THE PERIOD SEPTEMBER 10, 2014 THROUGH APRIL 30, 2015
AND QUARTERLY REPORT ON THE GENERAL CREDITOR CLAIMS PROCESS**

All information in this Report is based on information available to the Trustee at this time, but this information may be incomplete and should not be relied upon. This Report is not meant to be relied upon by investors or others as a complete description of the LBI estate, its condition (financial or otherwise), prospects, assets, or liabilities. The information in this Report will be updated, including corrections, if any, in future reports to the Court. The information in this Report is not prepared in accordance with U.S. generally accepted accounting principles. The realized value of certain assets may be zero or different from the estimates on which this Report is based. Selected balances and information contained herein have not and will not be subject to audit or review by external accountants. The Trustee reserves all rights to revise this Report.

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TO THE HONORABLE SHELLEY C. CHAPMAN,
UNITED STATES BANKRUPTCY JUDGE:

The Report Period saw continued, significant steps towards the wind-down and closure of the LBI estate. Notably, the Trustee resolved more than 1,300 general creditor claims with an aggregate asserted amount capped at approximately \$6.7 billion in an allowed amount of approximately \$1.8 billion. This included Court-approved settlements of the largest remaining affiliate claims. Additionally, the Trustee substantially completed efforts to reduce all estate assets to cash, abandoned data no longer necessary to administer the estate, and began to close his administrative office.

Because of these and other efforts in prior report periods, customers have received more than one hundred and six billion dollars, fully satisfying over ninety-nine percent of the one hundred eleven thousand customer claims. Secured, priority, and administrative creditors have received one hundred percent distributions, exceeding two hundred fifty million dollars. General unsecured creditors have received approximately twenty-seven percent of the allowed value of their claims, amounting to more than five billion seven-hundred and thirty million dollars, with the potential for further distributions in the future.

With the process of marshalling assets substantially complete, the Trustee's focus remains on the resolution of disputed claims so as to release reserves and effect further, and final, unsecured creditor distributions. While the general creditor claims process has thus far been largely consensual and the Trustee will continue to pursue negotiated and mediated outcomes wherever possible, the remaining several hundred contested claims increasingly appear to require varying degrees of litigation prior to resolution. The Trustee will attempt to resolve all litigation before this Court and

appellate courts as quickly as possible, and will maintain appropriate reserves in the meantime.

Throughout the case the estate has endeavored to keep all parties in interest fully informed on the progress of the liquidation. At all points the Trustee and his professionals have acted in close consultation with the SIPC, which by statute oversees all aspects of the liquidation, and have regularly consulted with the United States Securities and Exchange Commission, the Federal Reserve Bank of New York, the Commodity Futures Trading Commission, and the Financial Industry Regulatory Authority, and have routinely updated Congressional Committees.

1. James W. Giddens (the “Trustee”), as trustee for the liquidation of Lehman Brothers Inc. (“LBI”) under the Securities Investor Protection Act (“SIPA”), 15 U.S.C. §§ 78aaa *et seq.*,¹ respectfully submits this Twelfth Interim Report and Quarterly Report on the General Creditor Claims Process (this “Report”) in accordance with the terms of the Orders of the Court entered on November 7, 2008 (ECF No. 241) and April 8, 2015 (ECF No. 11741), and pursuant to SIPA § 78fff-1(c).

2. This Report covers the period from September 10, 2014 through April 30, 2015 (the “Report Period”).

3. All Interim Reports, along with a complete docket, regular progress updates, Quarterly Reports on General Creditor Claims Process, and substantial other information about this liquidation, may be downloaded from the Trustee’s website, www.lehmantrustee.com.

I. GENERAL CREDITOR RESERVES AND DISTRIBUTIONS

4. With the historic achievement of a 100 percent distribution of customer property substantially complete, the Trustee has now realized an initially unexpected milestone in effecting two interim distributions to general unsecured creditors. The Court deemed the second interim distribution “a noteworthy achievement, one that was not at all anticipated when these cases were commenced.” Tr. of Hr’g., Feb. 19, 2015 at 10:17-18, In re Lehman Bros. Inc., No. 08-01420 (SCC) (Bankr. S.D.N.Y.). Additionally, the Court noted that the Trustee’s ongoing distribution of assets to general unsecured creditors “stands as a testament to the continuing efforts of all the professionals involved in the winding down of these estates[.]” *Id.* at 10:19-22.

5. During the Report Period, the Trustee distributed \$5.733 billion to LBI’s general unsecured creditors with allowed claims, which is equal to 27 percent of the allowed amounts. The Trustee has also substantially completed 100 percent distributions to LBI’s secured, administrative, and priority creditors with allowed claims, distributing \$252 million to those claimants.

6. The Trustee will make appropriate distributions to claimants with unresolved claims and claims pending before the Court as those claims are resolved. To assure that claimants with disputed and unresolved claims are not prejudiced, the Trustee maintains reserves equal to 27 percent of the capped amount of the unsecured general creditor claims and 100 percent of the secured, administrative and priority claims.

7. General unsecured creditors with allowed claims who have not provided the Trustee with accurately completed distribution information have not received distributions. The Trustee maintains sufficient reserves to pay those claimants upon the return of the necessary forms and payment information. The Trustee urges all claimants

1. Subsequent references to SIPA throughout this Report will omit “15 U.S.C.”

with allowed claims to provide this information. The Trustee may seek relief to expunge the claims of claimants who fail to provide this information.

Secured, Administrative and Priority Claims

8. The Trustee has distributed approximately \$252 million to holders of allowed Secured, Administrative and Priority claims. The Trustee maintains a Secured, Administrative, and Priority Reserve of approximately \$300 million.² (See Lehman Brothers Inc. Balance Sheet as of March 31, 2015 (the “Balance Sheet”), filed concurrently with this Report.)

General Unsecured Claims

9. During the Report Period, the Trustee effectuated interim distributions in the aggregate amount of approximately \$5.733 billion.³

First Interim Distribution

10. The First Interim Distribution, authorized by the Court’s July 30, 2014 Order (ECF No. 9520), resulted in the distribution of approximately \$3.618 billion to holders of over two thousand general unsecured claims.

11. The Trustee maintains a First Interim Distribution Fund in the amount of approximately \$507 million, comprised of: (i) \$360 million for disputed and unresolved General Unsecured claims; and (ii) \$147 million remaining to be distributed to holders of General Unsecured Claims who have not yet provided accurately completed distribution information. The Trustee will continue to make distributions from the First Interim Distribution Fund as claimants provide the required distribution information.

Second Interim Distribution

12. On January 28, 2015, the Trustee requested the Court’s authorization to make a second interim distribution to general unsecured creditors. (ECF No. 11147.) On February 19, 2015, the Court granted the motion and authorized the Trustee to create the Second Interim General Unsecured Distribution Fund. (ECF No. 11358.) Accordingly, the Trustee established a Second Interim Distribution Fund of approximately \$2.426 billion for the purposes of making a second interim distribution to general unsecured creditors and maintaining sufficient pro rata reserves for unresolved claims.

13. The Trustee commenced the second interim distribution on March 10, 2015, and by March 31 had distributed approximately \$2.112 billion to holders of over two thousand-five hundred general unsecured claims.

2. In addition, the Trustee maintains an \$18 million tax-related reserve, \$11 million of which is included in the Secured, Priority, and Administrative claims liabilities.

3. Because interim distributions are made on a rolling basis, \$3 million of this amount was being processed on March 31, 2015 and is not included in the figures presented in paragraphs 10-14.

14. The Trustee maintains Second Interim Distribution Fund in the amount of approximately \$315 million, comprised of: (i) \$211 million for disputed and unresolved General Unsecured claims; and (ii) \$104 million to be distributed to holders of General Unsecured Claims whom have not yet provided accurately completed distribution information. The Trustee will continue to make distributions from the Second Interim Distribution Fund as claimants provide the required distribution information.

II. GENERAL CREDITOR CLAIMS ADMINISTRATION

Overview

15. The Trustee's ability to make general creditor distributions derives from the substantial effort to analyze and resolve more than 14,700 general creditor claims as well as success in marshalling assets.

16. During the Report Period, the Trustee allowed or settled some 1,337 general creditor claims with an aggregate asserted amount capped at approximately \$6.7 billion in an allowed amount of approximately \$1.8 billion. Pursuant to Court orders the Trustee expunged 354 general creditor claims with an aggregate asserted amount of approximately \$1.1 billion, and additionally filed objections to 345 claims.

17. Cumulatively, as of March 31, 2015, the Trustee has allowed or settled 4,885 general creditor claims (secured, administrative, priority, and unsecured) with an aggregate asserted amount of \$69.3 billion in an allowed amount of \$22.4 billion. Pursuant to orders of the Court, the Trustee has expunged 9,122 general creditor claims (secured, administrative, priority, and unsecured) with an aggregate asserted amount of \$58.4 billion.

18. As of March 31, 2015, all but 653 of the more than 14,700 general creditor claims into the LBI estate have been finally resolved, and of those, all but nine are before this Court or are subject to appeals.⁴ The 644 claims subject to objections or settlements pending before the Court or subject to appeals as of March 31, 2015 had an aggregate asserted amount capped at approximately \$1.8 billion.

19. Exhibit 1 shows information regarding the General Creditor Claims as of March 31, 2015.

Contested General Creditor Claims and Alternative Dispute Resolution/Mediations

20. The 644 claims subject to objections or settlements pending before the Court or subject to appeals are described below. A number of them are in mediation or have been noticed for mediation under the alternative dispute resolution procedures for

4. The remaining nine unresolved claims are in negotiation, settled in principle, capped at zero, or subject to an adversary proceeding that has been stayed pending a final resolution of the Barclays dispute. See First Amended Consent Order Regarding Discovery Schedule, *Options Clearing Corp. v. Barclays Capital Inc. et al.*, Adv. Proc. No. 08-01759 (SCC) (Apr. 20, 2011).

general creditor claims (the “ADR Procedures”) established by the Court. (See ECF No. 7351.)

ESEP Claims

(381 remaining claims; approximately \$271 million claimed)

21. Three hundred and eighty-one of the remaining contested claims are subject to a consolidated adversary proceeding before this Court; these claims were filed by former employees of LBI or its predecessors seeking deferred compensation pursuant to the Executive and Select Employee Deferred Compensation Plan (“ESEP”). The Trustee seeks to enforce the terms of the ESEP and subordinate the claims, which are capped at approximately \$271 million—of which more than \$255 million is asserted and fully reserved for as secured. Following a hearing on July 30, 2014, the Court denied the claimants’ motion to compel arbitration of this issue on August 11, 2014. (ECF No. 9617.) The claimants have appealed the ruling to the District Court (ECF No. 9672) and have filed a motion to withdraw the reference from the Bankruptcy Court. 344 *Individuals, Identified in the Notices of Appearance of Bankruptcy Court ECF Dkt. Nos. 8234, 8905 and 9459 v. Giddens*, Case No. 14-cv-08825-ER (S.D.N.Y.). As of March 31, 2015, both of these matters are fully briefed and pending before the District Court.

LBHI Underwriter Claims

(20 remaining claims; approximately \$275 million claimed)

22. Twenty of the contested claims are indemnity or contribution claims by underwriters of Lehman Brothers Holdings Inc. (“LBHI”) securities involving settlements and defense costs of approximately \$275 million in aggregate. As previously reported, a subset of these claims were subordinated (see Mem. Op. Authorizing and Directing the Subordination of Claims of Claren Road Credit Master Fund Ltd. and Certain Underwriters, ECF No. 8127) and, on appeal, the District Court affirmed the Bankruptcy Court’s subordination orders. *In re Lehman Bros. Inc.*, Nos. 14-CV-01742 (SAS), 14-CV-02305 (SAS), 14-CV-01987 (SAS) (S.D.N.Y. Sept. 5, 2014). During the Report Period, ten of these underwriters appealed to the Second Circuit. Briefing on the appeal is complete and both sides have requested oral argument; a date has not yet been scheduled. *In re Lehman Bros., Inc.*, No. 14-3686. The other ten have agreed by stipulations to be bound by the result of the subordination appeal with respect to their claims. (ECF Nos. 9181, 9898, 10203.)

Credencial Claims

(1 remaining claim; approximately \$160 million claimed)

23. Credencial S.A. (“Credencial”) and certain related parties filed three proofs of claim against LBI seeking payment of approximately \$170 million in alleged damages based upon an alleged breach by LBI of a document, the “Work Plan” relating to a potential strategic transaction that was never achieved. The claims have since been consolidated into one claim and the portion of the claim that sought post-petition interest totaling approximately \$10 million has been disallowed, leaving a total remaining claim seeking approximately \$160 million. Following a sufficiency hearing and mediation, the

parties continued settlement negotiations, but have not been able to consensually resolve the claim. In the event the parties are not able to resolve the claim, the Trustee will proceed to litigation promptly.

Post-Filing Date Bonus & Contractual Wages Claims

(16 remaining claims; approximately \$190 million claimed)

24. Sixteen of the contested claims are for post-September 19, 2008 (the “Filing Date”) bonuses and contractual wages claimed by former employees who transferred to Barclays Capital Inc. (“Barclays”) following its acquisition of most of the assets of LBI’s North American broker-dealer business and investment banking operations and assumption of liability for 2008 bonuses. (ECF Nos. 9013, 9478, 10097, 10194.) The Trustee seeks to expunge claims for bonuses that were paid by Barclays and subordinate the portions of claims for bonuses that were due to be paid in conditional equity awards. The Trustee is litigating four test-case claims—asserting approximately \$152 million—that are representative of the sixteen contested claims. (ECF No. 10685.) On April 22-24, 2015, the Court conducted a merits hearing on the four test-case claims. The Trustee anticipates that a decision on the four test-case claims will provide a sound basis for categorically addressing the Trustee’s objections to the remaining contested claims in this category.

Expatriate Tax Claims

(35 remaining claims; approximately \$29 million claimed)

25. Thirty-five of the contested claims are claims of former expatriate employees of Lehman entities related to taxation associated with their expatriate employment. All but two of these claimants transferred to Nomura Holdings Inc. or its affiliates after the Filing Date, and the claims filed by these claimants are owned or beneficially owned by Nomura. The Trustee contends that the claimants were not employed by LBI at the relevant times or were never employed by LBI, and that there is no obligation, contractual or otherwise, for LBI to pay the amounts at issue. These claims are capped at approximately \$29 million. Mediation of these claims is scheduled for late May.

Equity Awards Claims

(35 remaining claims; approximately \$24 million claimed)

26. Thirty-five of the contested claims totaling approximately \$24 million are related to equity awards (including restricted stock units, contingent stock awards, contingent equity awards, stock options, and/or other equity-related compensation). These claims are subject to an appeal to the District Court of this Court’s decision subordinating the claims. That appeal has been docketed as No. 15-cv-01819 (AT) and briefing will commence shortly.

ACATS Claims

(10 remaining claims; approximately \$118 million claimed)

27. Ten contested claims relate to account transfers requested by former LBI customers immediately before the Filing Date through the Automated Customer Account Transfer Service (“ACATS”). The Trustee objected to the ACATS claims as part of the Two Hundred Sixtieth Omnibus Objection, which was heard by the Court in February 2015. At the hearing, the Court requested additional briefing, which is now complete. This matter is *sub judice*.

Financial Products Claims

(89 remaining claims; approximately \$400 million claimed)

28. During the Report Period, the Trustee resolved 358 general creditor claims arising out of complex financial products and derivatives, reducing their asserted amounts from \$1.5 billion to a final allowed amounts of approximately \$435 million.

29. Eighty-nine claims remained as of March 31, 2015, with an aggregate capped amount of approximately \$400 million. Since then, the Trustee has resolved forty-three of them, reducing their asserted amounts from \$40 million to allowed amounts of approximately \$1.3 million. (See ECF No. 11819, 11852, 11869.) The Trustee will attempt to resolve the remaining 45 claims consensually, if possible, and otherwise will proceed to litigation in the near future.

Other Contested General Creditor Claims

(57 remaining claims; approximately \$323 million claimed)

30. Fifty-seven contested claims totaling approximately \$323 million based on various different theories of recovery—including securities issued by LBHI, claims of fraud or unsuitability, and employment-related claims—either are in negotiations, in mediation or arbitration, or are or will be scheduled for sufficiency or merit hearings before the Court.

III. FINANCIAL CONDITION OF ESTATE

31. For information relating to the LBI estate’s financial condition, see the Balance Sheet. This financial information reflects cash, cash equivalents, and other short-term liquid assets in the amount of approximately \$4.915 billion and securities (valued as of March 31, 2015) in the amount of \$13 million.⁵ All of these assets are currently under the Trustee’s control.

5. The financial information is based on a reasonable approximation of the current market value of securities held by the Trustee. As with all other financial information in this Report, the value of the securities is only an estimate, is unaudited, is subject to revision, and should not be relied upon. Market values of securities are based on nationally recognized pricing services. Where current market value is unavailable the security is valued at zero.

32. These assets include, among other things: (i) a reserve for the Barclays litigation in the amount of \$1.868 billion (see section IV); (ii) a Fund of Customer Property in the amount of approximately \$921 million; (iii) an Administrative Expense Reserve in the amount of \$850 million; (iv) a First Interim Distribution Fund in the amount of approximately \$505 million; (v) a Second Interim Distribution Fund in the amount of approximately \$314 million; (vi) a Secured, Priority and Administrative Reserve in the amount of approximately \$300 million; (vii) a reserve for post-petition dividends and interest in the amount of approximately \$47 million; and (viii) a tax-related reserve in the amount of approximately \$18 million.

IV. BARCLAYS CAPITAL INC.

33. Open issues with Barclays remain a principal obstacle to the conclusion of this liquidation, and the Trustee continues to maintain a \$1.868 billion reserve for the dispute with Barclays over approximately \$8 billion of “Disputed Assets.”

34. On August 5, 2014, the Second Circuit issued a decision affirming the District Court’s judgment awarding Barclays the Clearance Box Assets and the Margin Assets that secured the exchange-traded derivatives Barclays acquired from LBI. On August 19, 2014, the Trustee filed a petition for rehearing. (*Barclays Capital Inc. v. Giddens (In re Lehman Bros. Holdings Inc.)*, No. 12-2322 (2d Cir. Aug. 19, 2014) (ECF No. 295).) The Second Circuit denied the petition for rehearing on September 23, 2014.

35. On December 15, 2014, the Trustee filed a petition for writ of certiorari with the U.S. Supreme Court seeking review of the Second Circuit decision. On January 16, 2015, the Securities Investor Protection Corporation (“SIPC”) and the Managed Funds Association filed *amici curiae* briefs in support of the petition. On April 1, 2015, Barclays filed a brief in opposition to the petition. On April 15, 2015, the Trustee filed a reply in further support of the petition.

36. Notwithstanding the fact that his petition for certiorari remains pending, the Trustee has endeavored to pay Barclays the amounts that he believes are covered by the Second Circuit judgment. Accordingly, on October 8, 2014, the Trustee paid Barclays \$1.107 billion in full satisfaction of the Clearance Box Assets portion of the judgment (including post-judgment interest). On December 10, 2014, the Trustee paid Barclays \$1.528 billion (including post-judgment interest) in partial satisfaction of the Margin Assets portion of the judgment. The Trustee has not yet paid Barclays approximately \$40 million that he believes is covered by the Margin Assets judgment but that remains subject to reconciliation, and Barclays has not collected any of the assets held by LBIE that are covered by the judgment.

37. With each payment to Barclays, the Trustee has reduced the Barclays litigation reserve by a corresponding amount. Thus, the current amount of the reserve is \$1.868 billion.

38. Following the Second Circuit decision, Barclays claimed that it was entitled to \$1.3 billion in additional assets that it had not previously sought before the

District Court or the Second Circuit. On October 1, 2014, the Trustee filed a motion to confirm that the District Court and Second Circuit judgments cover only the approximately \$4 billion in Margin Assets that were disputed on appeal, and do not cover the additional \$1.3 billion. Barclays filed an opposition to the Trustee's motion on November 21, 2014, disputing the Trustee's right to all but \$181 million of the \$1.3 billion. The Trustee filed a reply in further support of the motion on December 12, 2014, and the District Court heard oral argument on January 16, 2015.

39. On April 22, 2015 the District Court denied the Trustee's motion. *In re Lehman Brothers Inc.*, Nos. 11 Civ. 6052 (KBF), 11 Civ. 6053 (KBF), 2015 WL 1822646 (S.D.N.Y. Apr. 22, 2015). The Trustee is continuing to review the District Court's decision, including its impact on the \$1.868 billion reserve.

40. Neither the outcome of the petition for certiorari nor the outcome of the District Court motion will impact distributions already completed, underway, or planned for, including the full satisfaction of customer claims, distributions on priority and secured claims, and interim distributions on general unsecured claims.

V. LEHMAN BROTHERS AFFILIATES

41. Due to the significant progress to date, the Trustee's remaining efforts with respect to LBI's former affiliates primarily concern collecting distributions on allowed claims. Except for the possibility that some affiliates will pay interest on fully satisfied general unsecured claims, the Trustee does not anticipate material additional recoveries from former Lehman affiliates.

Affiliate Claims – Resolved

42. As previously reported, the Trustee resolved the principal Lehman affiliate claims with claim amounts asserted well in excess of \$100 billion. During the Report Period, the Trustee negotiated and documented additional settlements, described herein, that resolved the larger of the remaining affiliate claims.

Lehman Brothers Hong Kong Affiliates

43. The Court approved the Trustee's settlement with the liquidators of the Hong Kong-based Lehman affiliates on July 30, 2014. (ECF No. 9519.) The settlement became effective on September 25, 2014. The Trustee has now received distributions from the Hong Kong affiliates of approximately: \$69 million from Lehman Brothers Futures Asia Limited; HKD123 million and certain securities from Lehman Brothers Securities Asia Limited ("LBSAL"); \$800,000 from Lehman Brothers Equity Finance (Cayman) Limited; and \$8,500 from Lehman Brothers Netherlands Horizons BV. Of this amount received, approximately HKD76 million was received during the Report Period. Thus, unless LBSAL makes distributions in excess of par, the Trustee does not anticipate additional material recoveries from the Hong Kong affiliates.

Lehman Brothers Bankhaus AG (Germany)

44. As reported previously, the Trustee filed a motion seeking approval of a settlement with the insolvency administrator of Lehman Brothers Bankhaus AG (In Insolvenz) (“Bankhaus”) on November 29, 2012. (ECF No. 5483.) The Court entered an order approving the settlement on December 10, 2014. (ECF No. 10655.) The settlement agreement with Bankhaus became effective on December 29, 2014. The settlement resolves Bankhaus’ asserted customer and general creditor claims by providing Bankhaus with a non-priority general unsecured creditor claim of \$550 million.

Lehman Brothers Treasury Co. B.V. (Netherlands)

45. On November 17, 2014, Lehman Brothers Treasury Co. B.V. (“LBT”) withdrew its claim with prejudice. (ECF No. 10447.)

Lehman Brothers India Affiliates

46. The Trustee successfully negotiated agreements with the Singapore liquidators to settle the claims of the following India-based Lehman affiliates under the control of the Singapore liquidators: Lehman Brothers Advisers Private Limited, Lehman Brothers Capital Private Limited, and Lehman Securities Private Limited (the “Lehman (India) affiliates”). The Trustee’s settlements with the Lehman (India) Affiliates grant the Lehman (India) Affiliates non-priority general unsecured claims of approximately \$10.5 million in the aggregate. The Court approved the Trustee’s settlement with the Lehman (India) affiliates on January 15, 2015. (ECF No. 11018.) The settlement became effective on March 19, 2015.

Lehman Brothers Europe Limited (“LBEL”)

47. LBEL filed an unsecured general creditor claim seeking approximately \$21 million. On December 30, 2014, the Trustee filed a motion to expunge LBEL’s claim. (ECF No. 10786.) On February 25, 2015, the Court granted the Trustee’s motion. Accordingly, LBEL’s claim has been expunged.

48. Additionally, the Trustee has an allowed claim of approximately GBP62.8 million against LBEL, on which the Trustee already has received approximately GBP62.8 million and LBEL’s liquidators have announced their intention to pay interest on allowed claims, but have not announced the amount of interest that will be paid.

Lehman Re (Bermuda)

49. Lehman Re filed an unsecured general creditor claim seeking an unspecified amount related to damages allegedly incurred from LBI’s breach of a certain Master Repurchase Agreement between the parties and other intercompany receivables. On July 31, 2013, Lehman Re submitted an amended claim that asserted the claim was valued at \$195 million. During the Report Period, the Trustee reached a settlement with Lehman Re allowing Lehman Re’s claim in the amount of approximately US\$125

million. The Court approved the settlement on March 12, 2015 (*see* ECF No. 11479). The settlement is effective.

LB UK Re Holdings Limited (“LB UK”)

50. On December 19, 2014, the Trustee and LB UK entered into a stipulation granting LB UK an allowed non-priority general unsecured claim in the amount of \$55,894. The Court approved the stipulation on December 30, 2014 (ECF No. 10777), and it is now effective.

Lehman Brothers Limited (“LBL”)

51. LBL filed a general unsecured claim seeking approximately \$9,000. LBL’s claim has been capped at zero. (*See* ECF No. 9520.) The Trustee filed a claim against LBL for almost GBP 360,000. As of the date of this report, LBL has not determined the Trustee’s claim.

Other Affiliates

52. For information regarding the Trustee’s resolution of claims in prior report periods with: (i) Lehman Brothers International (Europe) or LBHI, *see* the Ninth Interim Report sections II and III; (ii) Lehman Brothers Luxembourg S.A., Lehman Brothers (Luxembourg) Equity Finance S.A., or Lehman Brothers N.V. (Netherlands Antilles (Curaçao)), *see* the Tenth Interim Report paragraphs 64-66; (iii): Lehman Brothers Australia Securities Pty Limited, Lehman Brothers Capital GmbH (Germany) or Lehman Brothers Japan (“LBJ”), *see* the Eleventh Interim Report paragraphs 41, 42 and 44.

VI. ADDITIONAL RECOVERY EFFORTS

53. The Trustee is pursuing the recovery of approximately \$110 million in assets that are held by non-affiliate broker-dealers in Taiwan, South Korea, and Malaysia.

54. During the period, Yuanta Futures Co. (“Yuanta”), located in Taiwan, acknowledged holding exchange derivative assets of LBI in the amount of approximately \$89 million and TWD 123 million, and expressed a willingness to return them to the Trustee subject to certain conditions. The Trustee is currently in process of resolving those conditions through discussions with Yuanta and its attorneys. Barclays is cooperating in the Trustee’s efforts to recover the assets from Yuanta, subject to Barclays’s claim to them.

55. The Trustee continues to negotiate with Samsung Futures Inc. in South Korea regarding the return of approximately KRW10 billion.

56. The Trustee and Kenanga Deutsche Futures SDN BHD (“Kenanga”) in Malaysia reached an agreement requiring Kenanga to return \$2 million and MYR18 million plus interest to the Trustee. The Trustee anticipates submitting that settlement agreement to the Court for approval in May 2015.

Wells Fargo

57. The Trustee has also sought to finalize possible recoveries from Wells Fargo Bank, N.A. (“Wells Fargo”). In one such matter involving the valuation of a terminated swaps transaction, after months of investigation and efforts by the Trustee to reach a consensual resolution, the Trustee commenced an adversary proceeding (Adv. Pro. No. 14-02441) (SCC). Wells Fargo asserts that it is entitled to an allowed unsecured general creditor claim on account of the terminated transaction. The parties are scheduled to appear for a pretrial conference on May 20, 2015, and expect to commence discovery on or about that date.

58. Separate and apart from the aforementioned adversary proceeding, on January 13, 2015, the Court so-ordered a stipulation between the Trustee and Wells Fargo setting forth Wells Fargo’s obligation to pay LBI a close-out amount of approximately \$16 million in connection with the termination of certain securities lending transactions. (ECF No. 10991.) The Trustee received this close-out amount from Wells Fargo on January 14, 2015.

Other Recovery Efforts

59. The Trustee collected approximately \$5 million from close-outs and unwinds with four other counterparties during the Report Period. Details regarding the Trustee’s close-out and unwind efforts, and procedures for reconciling and collecting amounts due to the LBI estate, are available in the Fourth Interim Report paragraphs 135-39.

60. As previously reported, in 2014 the Trustee reached an agreement with the Depository Trust Company (“DTC”) that resulted in a payment of approximately \$27 million into the LBI estate. Under the agreement, the DTC will return an additional \$2.9 million, less allowable expenses, beginning this year.

Asset Realization

61. Consistent with his statutory duty and ongoing focus to maximize the value of the general estate, and with the supervision and consent of SIPC and in consultation with major creditor constituencies, the Trustee has liquidated all securities that are not being distributed in kind to customers.

62. In 2013, the Trustee retained BlackRock Financial Management Inc. to assist with the sale of the more liquid securities. BlackRock executed sales to minimize market disruption and maximize value, with aggregate sales above the volume-weighted average price. In total, BlackRock executed over 9,000 trades of 4,200 unique CUSIPs, resulting in sales totaling more than \$7 billion.

63. Soon thereafter the Trustee retained Miller Buckfire & Co., LLC (“Miller Buckfire”) to help sell approximately 3,000 remaining estate securities. (See Tenth Interim Report paragraphs 6-9.) Miller Buckfire, with the assistance of its affiliate, Stifel, sold or otherwise disposed of thousands of securities through “at market” sales and

weekly auctions. Beginning in October 2013, Miller Buckfire conducted eleven rounds of auctions. With each auction, a list of individual securities was made publicly available and bidders had the opportunity to place bids on the entire pool of securities. The securities had reserve prices set at the discretion of the Trustee and Miller Buckfire. All Trustee notices regarding the disposition of securities sold through this process are available at www.lehmantrustee.com. Through that process, Miller Buckfire sold or otherwise disposed of more than 2,200 securities, resulting in cash proceeds of approximately \$437 million.

64. On February 13, 2015, as part of the Trustee's ongoing effort to wind-down the LBI estate, the Trustee filed a motion to abandon the remaining non-transferable and valueless securities that were not being held to satisfy a customer claim or otherwise in the process of being sold. (ECF No. 11314.) The Court granted the motion on March 12, 2015. (ECF No. 11478.) The estate's remaining securities are now either being held to satisfy customer claims or are in the process of being sold.

VII. CUSTOMER CLAIMS DISTRIBUTIONS

65. The Trustee has substantially completed customer claims distributions, distributing more than \$106 billion to over 111,000 customers, by far the largest distribution of customer property ever and among the largest distributions of any kind in history. This includes approximately \$13.419 billion distributed through the customer claim process in full satisfaction of more than ninety-nine percent of the allowed customer claims.

VIII. RESOLVING THE REMAINING NON-AFFILIATE DISPUTED CUSTOMER CLAIMS

66. The vast majority of non-affiliate disputed customer claims have been finally resolved. The Trustee has established reserves for those that remain, which the Trustee monitors and adjusts as claims are litigated or otherwise resolved. For information on the Trustee's claims adjudication procedures, see the Fourth Interim Report paragraphs 43-46.

Repurchase and Lending Transactions

(28 remaining claims; approximately \$173 million claimed)

67. As detailed in prior reports, the Trustee has denied customer treatment to claims arising out of repurchase ("repo") agreements entered into with LBI. Repos are contractual financing arrangements and these claims are for breach damages, rather than claims arising out of customer relationships. The claims have been re-classified as claims against the general estate of LBI.

68. Currently, there are 23 objections pending, claiming approximately \$161 million in total value, that were filed by repo counterparties objecting to the Trustee's determination. Of these, 15 claims totaling approximately \$117 million arose from repo and reverse repo transactions that were "open" as of the Filing Date. (Five additional

claims, while not based on repo transactions, were filed by objecting repo counterparties and have not yet been distributed.)

69. The Trustee and three test case claimants with the largest claims by dollar amount (the “Test Case Claimants”) originally litigated the question whether repo claims are entitled to customer status. Currently only one of the Test Case Claimants continues to assert that its repo claims warrant customer protection. On February 26, 2014, the District Court issued an Opinion and Order affirming the Bankruptcy Court’s memorandum decision granting the Trustee’s motion to confirm his determination that the claims filed by the Test Case Claimants are not entitled to customer protection. (No. 13-cv-5381, ECF No. 32, published at *In re Lehman Bros. Inc.*, 506 B.R. 346 (S.D.N.Y. 2014)). Since that decision, two of the three Test Case Claimants chose not to prosecute any further appeal and to accept the Trustee’s determination. The remaining Test Case Claimant (with two claims) has an appeal of the District Court’s opinion pending before the United States Court of Appeals for the Second Circuit. (Case No. 14-890.) The Court of Appeals heard oral argument on February 26, 2015, and the matter is *sub judice*.

70. The Trustee has also entered into a separate stipulation with certain other repo claimants who have filed objections but are not participating in the litigation with the Test Case Claimants (the “Non-Participating Claimants”). (ECF Nos. 4623, 4687, 4735.) This stipulation binds the Trustee and Non-Participating Claimants to any legal rulings made by the Bankruptcy Court or any appellate court with respect to the Test Case Claimants, except where the court expressly provides that its rulings shall not apply to the Non-Participating Claimants, and requires the Trustee to offer any settlement to the Non-Participating Claimants on no less favorable terms, if any, offered to the Test Case Claimants, unless different settlement terms are justified by legal or factual distinctions.

TBA and Forward Transactions

(46 remaining claims; approximately \$11 million claimed)

71. Pursuant to the Court’s Order Confirming the Trustee’s Determination of Claims Related to TBA Contracts (ECF No. 4814), the Trustee continues to resolve claim objections based on unperformed forward contracts for the future purchase or sale of “to-be-announced” U.S. agency debt obligations (“TBA Contracts”) as well as damages arising from unperformed forward contracts for the future purchase or sale of U.S. Treasury instruments (“Treasury Forwards”).

72. During the Report Period, the Trustee resolved disputes with respect to the treatment of collateral related to TBA Contracts and Treasury Forwards with claimants asserting customer claims in the aggregate amount of \$187.4 million and whose accounts were managed by Pacific Investment Management Company LLC (“PIMCO”). The Trustee filed a 9019 motion seeking approval of the settlement (the “PIMCO Settlement”) on December 31, 2014. (ECF No. 10810.) The Court approved the settlement on January 22, 2015. (ECF No. 11108.)

73. Pursuant to the PIMCO Settlement (i) the claims were reclassified as allowed general unsecured creditor claims in the amount of \$146.6 million, (ii) certain

PIMCO claimants received settlement amounts totaling \$20 million, and (iii) \$4.9 million in excess collateral held at a third party was returned to the LBI estate. The settlement has now been fully effectuated. The Trustee filed a Settlement Report with the Court on March 18, 2015. (ECF No. 11516.) As a result of the PIMCO Settlement, the Trustee has reduced the TBA and Forward Transactions customer reserve by \$187 million.

74. The Trustee is actively resolving the forty-six remaining disputed claims based on TBA Contracts, Treasury Forwards, and Collateral.

Other Non-Affiliate Disputed Customer Claims

(24 remaining claims; approximately \$169 million claimed)

75. As previously reported, the Trustee filed a motion to expunge a claim asserted in the amount of approximately \$63 million by FirstBank Puerto Rico (“First-Bank”) arising from the financial institution’s swap agreement with another Lehman Entity. (See Eleventh Interim Report paragraph 71.) The Court heard arguments by the parties on December 2, 2014. The Trustee’s motion and First-Bank’s cross-motion are now *sub judice*.

76. The Trustee has resolved all foreign currency transactions claims with the exception of two claims by Moore Global Investments, L.P. (“MGI”) asserted in the amount of approximately \$12 million plus interest. In the report period, the Trustee briefed cross motions for summary judgment. On March 17, 2015, the District Court issued an opinion determining that MGI was not entitled to customer protection under SIPA or subchapter IV of Chapter 7 of the Bankruptcy Code. *Moore Capital Mgmt., LP v. Giddens (In re Lehman Bros.)*, No. 14-cv-00535 (SAS), 2015 U.S. Dist. LEXIS 32823 (Mar. 17, 2015, S.D.N.Y.). On April 9, 2015, the District Court ordered additional briefing regarding whether MGI is entitled to relief under alternate legal theories, with briefing scheduled to be completed in early May.

77. Eight claims asserted in the amount of approximately \$79 million arise from certain claimants’ swap agreements with other Lehman entities. These claims were previously captured in the unliquidated contingent reserves (*see* Balance Sheet, Note 14) with the understanding that these duplicative and satisfied claims would be voluntarily withdrawn. The Trustee intends to expunge these claims from the claims register consensually if possible, and will otherwise file a motion in the near future to remove them. In light of this potential motion, the Trustee has been forced to reserve for these claims, for the time being.

78. The remaining amount in this category pertains to thirteen requests for misdirected wires (*see* paragraph 83).

IX. CONTINUING ADMINISTRATIVE MATTERS

Banking Matters

79. Except for certain accounts that remain open for administrative or related reasons, the few remaining legacy LBI bank accounts are in the process of being closed

out following the transfer of any cash balances or securities to the Trustee. Any such remaining balances are not material.

Adversary Proceedings

80. The Trustee continues to enforce the automatic stay provisions of 11 U.S.C. § 362 and the LBI Liquidation Order (ECF No. 1) with respect to new complaints that name LBI as a defendant but are filed outside the Bankruptcy Court in violation of the stay. In most of these instances the Trustee has obtained dismissal of the action as against LBI. In the one instance where this did not occur, a former employee has violated the automatic stay and continues to pursue a civil action in federal district court in Massachusetts for alleged pre-petition violations of federal law that she describes as wrongful termination and denial of disability benefits. The Court has entered an order enforcing the automatic stay. (ECF No. 10082.) The Trustee is currently finalizing papers for a dismissal with prejudice of the claim.

Government and Third Party Investigations

81. The Trustee continues to meet and coordinate regularly with regulators, including in particular the Securities and Exchange Commission.

82. The flow of other requests to the Trustee for historical LBI information from dozens of federal, state, and local government agencies continues. Cooperation with investigations by these agencies is of paramount importance to the Trustee and SIPC. In addition, the Trustee has received and is responding in due course to a number of nonparty subpoenas issued in connection with various litigations and arbitrations around the United States. In total, the Trustee has made a total of over 945 document productions in response to more than 1,800 governmental and non-party requests. Notwithstanding an appreciation for regulators' and litigants' need for LBI historical information, the productions continue to be a significant expense for the LBI estate.

Return of Misdirected Wires

83. The Trustee continues to receive and investigate requests for the return of funds misdirected into LBI bank accounts. For information regarding Court-authorized procedures implemented by the Trustee relating to the misdirected funds return process, see the Sixth Interim Report paragraph 138. As of March 31, 2015, the Trustee has returned 955 individual wires, aggregating approximately \$616 million, including \$2 million returned in this Report Period.⁶

Internal Controls, Bookkeeping, and Data Management

84. The Trustee employs administrative professionals who monitor estate assets and who have established daily, monthly and ad hoc processes for this purpose.

6. Requests for returns of pre-petition transfers of misdirected funds are generally treated as bankruptcy claims subject to reconciliation in the General Creditor Claim process.

These professionals rely on established controls for the payment and journaling of all expenses, including recording payment instructions and supporting documentation, reviewing time-entry diaries, and assessing the reasonableness of rates and bills for services performed. Accounting functions include reconciling cash balances and securities positions on a daily basis, generating financial information for tax reporting, processing journal entries to record transactions related to securities and cash movements authorized by the Trustee, and providing the Trustee with point-in-time information regarding the assets under his control. These professionals also coordinate with Bank of New York Mellon and Broadridge, key service providers for the LBI estate, and implement controls for securities held in the Trustee's vault. For more information on this topic, see the Eighth Interim Report paragraphs 93-97.

X. TAX MATTERS

85. The Trustee's professionals continue to (i) monitor federal, state, and local tax audits, assessments and claims, (ii) respond to tax-related information requests from international, federal, state, and local authorities, and (iii) coordinate all tax reporting requirements with respect to LBI and the Trustee.

The Lehman Consolidated and Combined Groups

86. Prior to the Filing Date, and until November 20, 2013, LBI was included in the consolidated federal income tax returns filed by the affiliated group of which LBHI is the common parent (the "Lehman Consolidated Group") and in similar combined groups for New York State and City and Florida.

87. Under the terms of the LBI-LBHI Settlement Agreement, LBHI will indemnify LBI against all consolidated and combined tax ("Group Tax") liabilities for any periods (past, current, or future) during which LBI is a member of a combined or consolidated group with LBHI and/or any of its related Debtors. LBHI will continue to be responsible for filing Group Tax returns, and will also be responsible for managing any audits or disputes with respect to such taxes, and for any costs associated with such audits or disputes. Finally, LBHI will be entitled to any refunds or credits relating to Group Tax filings. As contemplated under the LBI-LBHI Settlement Agreement, on November 20, 2013, LBI ceased to be a member of the Lehman Consolidated Group.

Remaining Tax Issues

There has been no change to the tax matters previously reported except as follows:

88. *State and local: tax liens.* Research by the Trustee's tax professionals disclosed the existence of a number of purported tax liens against LBI from fifteen jurisdictions totaling over \$2.5 million. After further research, analysis, and communication with tax authorities, the Trustee's professionals were able to reduce the number of liens to two jurisdictions and to a total aggregate asserted amount of \$146,342. The Trustee's professionals continue to work to reduce such liens or to have them withdrawn.

Ongoing Compliance

89. The Trustee's professionals continue to work with LBHI's representatives to perform all required consolidated and combined tax filing requirements for periods ending on or before November 20, 2013. Deloitte Tax continues to assist the Trustee in complying with all income tax filing requirements in jurisdictions where LBI files separate returns, including federal income tax returns for periods ended after November 20, 2013, and with all other tax filing requirements, including but not limited to sales and rent tax, in all jurisdictions. Deloitte Tax and Epiq Systems continue to assist the Trustee in complying with all required information reporting, including any reporting that may be required with respect to distributions made by the Trustee.

XI. PROFESSIONAL RETENTION AND ADMINISTRATIVE EXPENSES

90. During the Report Period, the Trustee began preparations for the closure of the estate. The Trustee filed a motion seeking Court authority to abandon and destroy over 236 terabytes of LBI data that was no longer necessary for administration of the liquidation. (ECF No. 11046.) The Court entered an order authorizing the abandonment of this data on February 19, 2015 (ECF No. 11359) and the abandonment has been effectuated. The Trustee also continued initiatives to reduce all estate assets to cash (*see supra* paragraphs 61-64).

91. The Trustee has continued to take steps to further reduce professional fees wherever possible and streamline remaining workstreams as the estate entered its wind down phase. The Trustee negotiated further discounts from third-party vendors and other service providers in connection with documentation retention, and storage and technology necessary to facilitate distributions to customers and general creditors and complete the general creditor claims analysis.

92. The Trustee also continued the wind down of his administrative office in lower Manhattan. The office will close early this summer.

93. At the request of and in consultation with SIPC, nearly all of these professional firms and consultants retained by the Trustee have agreed to a voluntary public interest discount of at least ten percent or more from standard rates and have further agreed not to charge for a number of categories of expenses regularly paid to professionals in large bankruptcy proceedings, including overtime meals and after-hour travel services.

94. In keeping with the SIPA statute, the services and fees of all professionals were closely reviewed by SIPC and the Trustee throughout the Report Period. The Trustee also continued to take steps to further reduce professional fees wherever possible and streamline the administration of the estate as major workstreams were substantially completed. For example, City-Yuwa Partners, special Japanese counsel to the Trustee, completed providing advice to the Trustee in November 2014 as all matters with LBJ had concluded. (ECF No. 11485.)

95. Administrative expenses disbursed as of March 31, 2015 are comprised of \$652,417,000 for Deloitte & Touche LLP, \$350,133,000 for Hughes Hubbard & Reed LLP, transitional services of \$84,782,000 paid to Barclays and LBHI, payments to other counsel and consultants of \$82,717,000, and rent, data storage, noticing and claims agent work, and other operational costs of \$59,334,000.

XII. CONCLUSION

The foregoing report represents a summary of the status of this proceeding and the material events that have occurred from September 10, 2014 through April 30, 2015. It will be supplemented and updated with further interim reports.

Dated: New York, New York
April 30, 2015

Respectfully submitted,

HUGHES HUBBARD & REED LLP

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Attorneys for James W. Giddens,
Trustee for the SIPA Liquidation of
Lehman Brothers Inc.

Exhibit 1

LEHMAN BROTHERS INC.
General Creditor Claims Exposure⁽¹⁾
As of March 31, 2015

Unaudited (USD in millions)	Secured		Admin		Priority		Unsecured		Total	
	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
Claims as Asserted	1,191	\$ 8,749.4	123	\$ 283.9	1,398	\$ 4,256.0	10,320	\$ 116,640.7	14,753	\$ 129,708.4
Resolved Claims ⁽²⁾	840	8,484.8	121	277.7	1,316	4,216.0	10,045	114,942.0	14,100	127,698.9
Claims Subject to Objections and Settlements Pending Before the Court ⁽³⁾	351	264.3	1	0.1	81	32.5	268	1,493.3	644	1,790.2
Unresolved Claims	0	\$ 0.3	1	\$ 6.1	1	\$ 7.5	7	\$ 205.4	9	\$ 219.3
Claims Exposure:										
Claims Allowed or Settled ⁽⁴⁾	2	\$ 0.0	47	\$ 10.4	242	\$ 242.4	4,583	\$ 22,150.2	4,885	\$ 22,403.0
Claims Subject to Objections and Settlements Pending Before the Court ⁽³⁾	351	264.3	1	0.1	81	32.5	268	1,493.3	644	1,790.2
Unresolved Claims	0	0.3	1	6.1	1	7.5	7	205.4	9	219.3
Total	353	\$ 264.6	49	\$ 16.6	324	\$ 282.4	4,858	\$ 23,848.9	5,538	\$ 24,412.5

- Includes both affiliate and non-affiliate claims. Disputed customer claims with unresolved objections may become part of the general creditor claims population and associated reserves part of the general estate upon final disposition of the claims; they are not included in these figures. For allowed, accepted as indicated, unresolved, and pending before the Court claims, this data is based on the Court-ordered reserve and cap amounts assigned to those claims. (See ECF Nos. 9273, 9520, and 11358, together the "Capping and Reserve Orders.") Differences between this Report and the Trustee's Quarterly Report on the General Creditor Claims Process as of December 31, 2014 (ECF No. 11148) are due to a number of factors, including partial transfers of claims and disputed customer claims that have been resolved and became general creditor claims. Certain claims are asserted for some combination, all, or none of secured, priority, administrative, and unsecured status. Accordingly, total asserted amounts and claim counts may not foot to a sum of the individual columns listing secured, priority, administrative, and unsecured status.
- Consists of 9,122 disallowed or expunged claims asserted in an aggregate amount of \$58.4 billion (as reflected on the next slide), 4,885 allowed or settled claims asserted in an aggregate amount of \$69.3 billion and ultimately allowed or settled in an aggregate amount of \$22.4 billion (as reflected in the Claims Exposure, above), and 93 claims asserted in an aggregate amount of \$17.4 million reclassified to equity interests that will not receive distributions.
- Includes 43 claims subject to objections before the Court seeking to allow the claims in reduced amounts and priorities.
- Includes 1,599 claims for which the Trustee has completed his analysis and has determined are not objectionable and should be deemed allowed pursuant to Bankruptcy Code section 502(a). The aggregate amount of these claims is \$290.7 million. Where timing allowed, these claims were reflected as accepted as indicated in the Capping and Reserve Orders and the Supplemental Distribution Schedules filed with the Court (ECF Nos. 9647, 10090, 10386, 10882, 11258, 11436, and 11748), and in most cases have been reflected as allowed on the claims register; the remainder of these claims have been or will be disclosed in supplemental schedules filed with the Court and reflected as allowed on the claims register. Does not include \$14.43 billion of allowed subordinated claims under the settlement agreement with Lehman Brothers Holdings Inc. ("LBHI") and other claims that have been subordinated or reclassified to equity. The Trustee does not anticipate making any distributions on account of subordinated claims or equity. Between January 1, 2015 and March 31, 2015, 133 claims were allowed or settled under the Settlement Procedures Order (ECF No. 5847) that were asserted in an aggregate amount of \$937.0 million and allowed in an aggregate amount of \$409.7 million. Ninety-one of the 133 claims are customer claims reclassified and converted to general creditor claims asserted in an aggregate amount of \$180.4 million and allowed in an aggregate amount of \$177.7 million.

The information and data included herein are derived from sources available to the Trustee and his professionals at this time. All amounts are unaudited, subject to revision, and should not be relied upon.

LEHMAN BROTHERS INC.**General Creditor Claims Disallowed or Expunged in this Quarter and Cumulatively⁽¹⁾****As of March 31, 2015**

Unaudited (USD in millions)

Basis for Disallowance or Expungement	Cumulatively		Between January 1 and March 31, 2015	
	Number of Claims	Asserted Amount	Number of Claims	Asserted Amount
Duplicate or Amended and Superseded	3,233	\$ 12,880.0	–	\$ –
Insufficient or No Supporting Documentation	765	\$ 140.6	–	\$ –
Late-Filed	121	\$ 2,568.6	–	\$ –
Schedule 2.05 to LBIE Agreement ⁽²⁾	59	\$ 3,474.9	–	\$ –
No Liability	3,849	\$ 7,111.3	12	\$ 14.6
JPMorgan Chase CDA Claim Subrogation ⁽³⁾	6	\$ 13,440.0	–	\$ –
Satisfied	386	\$ 591.8	–	\$ –
Withdrawn by Claimant	703	\$ 18,162.2	13	\$ 121.3
Total	9,122⁽⁴⁾	\$ 58,369.4	25⁽⁵⁾	\$ 135.9

1. Does not include approximately 5,622 claims that the Trustee resolved through settlements, are pending before the Court on objections, or that the Trustee has determined are not objectionable and should be deemed allowed pursuant to Bankruptcy Code section 502(a), as of March 31, 2015.

2. Schedule 2.05 to the Lehman Brothers International (Europe) (“LBIE”) Settlement Agreement includes general creditor claims asserted against LBI by LBIE customers, or other claimants with a relationship with LBIE, with respect to activity conducted with or through LBIE, and which were expunged by the Court (ECF No. 6022).

3. Pursuant to the Court-approved Collateral Disposition Agreement (the “CDA”) between LBHI and certain JPMorgan entities, LBHI became subrogated to the claims of the JPMorgan entities against LBI to the full extent of payments made by LBHI or applied from its property to such claims. Pursuant to the LBI-LBHI Settlement Agreement, the Trustee agreed to allow claims that LBHI acquired via subrogation pursuant to the CDA in the amount of \$1.5 billion. The LBI claims register was modified to reflect only the allowed general creditor claim amount contemplated by the LBI-LBHI Settlement Agreement, omitting claims that either were initially overstated or contingent claims that projected no actual liability to the LBI estate. The recording of this allowed claim on the LBI claims register is without prejudice to any rights of any other parties with respect to these claims, including but not limited to the rights established and preserved by the Court-approved Settlement Agreement dated as of April 20, 2011 among JPMorgan Chase Bank, N.A., JPMorgan Securities Inc., and JPMorgan Clearing Corp. and the Trustee (ECF No. 4356), and any rights established and preserved by the CDA.

4. 2,862 of the 9,122 claims are customer claims reclassified and converted to general creditor claims, asserted in the aggregate amount of \$12.7 billion.

5. 11 of the 25 claims are customer claims reclassified and converted to general creditor claims, asserted in the aggregate amount of \$11.2 million.

The information and data included herein are derived from sources available to the Trustee and his professionals at this time. All amounts are unaudited, subject to revision, and should not be relied upon.