

This notice contains important information that is of interest to the registered and beneficial owners of the subject securities. If applicable, all depositories, custodians and other intermediaries receiving this notice are requested to expedite the re-transmittal to beneficial owners of the securities in a timely manner.

Notice to Holders

Lehman Brothers UK Capital Funding LP

€225,000,000

Fixed Rate to CMS-Linked Guaranteed Non-Voting, Non-Cumulative Perpetual Preferred Securities

XS0215349357

Lehman Brothers UK Capital Funding II LP

€250,000,000

Euro Fixed Rate Guaranteed Non-Voting, Non-Cumulative Perpetual Preferred Securities

XS0229269856

Lehman Brothers UK Capital Funding III LP

€500,000,000

Fixed/Floating Rate Enhanced Capital Advantaged Preferred Securities

XS0243852562

29 November 2023

Notice of Interim Payment

Reference is made to:

(i) the €225,000,000 Fixed Rate to CMS-Linked Guaranteed Non-Voting, Non-Cumulative Perpetual Preferred Securities issued by Lehman Brothers UK Capital Funding LP (the "**Issuer**" or "**LP I**") with ISIN number XS0215349357 pursuant to a prospectus dated 29 March 2005 (the "**LP I Prospectus**");

(ii) the €250,000,000 Euro Fixed Rate Guaranteed Non-Voting, Non-Cumulative Perpetual Preferred Securities issued by Lehman Brothers UK Capital Funding II LP (the "**Issuer**" or "**LP II**") with ISIN number XS0229269856 pursuant to a prospectus dated 30 August 2005 (the "**LP II Prospectus**"); and

(iii) the €500,000,000 Fixed/Floating Rate Enhanced Capital Advantaged Preferred Securities issued by Lehman Brothers UK Capital Funding III LP (the "**Issuer**") or "**LP III**") pursuant to a prospectus dated 20 February 2006 (the "**LP III Prospectus**" and together with the LP I Prospectus and the LP II Prospectus, the "**Prospectuses**" and each a "**Prospectus**").

hereinafter referred to as the "**Securities**". Reference hereinafter to "**the Issuers**" is reference to LP I, LP II and LP III.

Capitalised terms used but not otherwise defined herein shall have the meanings ascribed to them in each Prospectus (as applicable).

Interim Payment: an initial interim payment will be paid for value on 8 December 2023 relating to the Liquidation Distribution in respect of the Securities to beneficial holders of the Securities as of 1 December 2023. The value of the distribution for LP I, LP II and LP III is set out below. This distribution represents a significant proportion of the total funds currently available for distribution. Some funds have been retained to meet certain costs of the liquidation and residual funds from these retained reserves may become distributable in the future. Further significant distributions are subject to the Company's success (or otherwise) in relation to the Priority Legal Issue 1 (as defined and set out in the Joint Liquidators' 21 September 2023 update notice).

Value of interim Liquidation Distribution by Issuer

LP I ISIN number XS0215349357 - a Liquidation Distribution totalling EUR 36,025,574.76 which, in accordance with the terms of the LP I Prospectus, comprises: (a) an amount of EUR 32,341,532.54, by way of a Liquidation Preference; and (b) EUR 3,684,042.22, by way of due and accrued but unpaid Distributions.

LP II ISIN number XS0229269856 - a Liquidation Distribution totalling EUR 55,921,323.60 which, in accordance with the terms of the LP II Prospectus, comprises: (a) an amount of EUR 53,218,412.64, by way of a Liquidation Preference; and (b) EUR 2,702,910.96, by way of due and accrued but unpaid Distributions.

LP III ISIN number XS0243852562 - a Liquidation Distribution totalling EUR 80,919,451.47 which, in accordance with the terms of the LP III Prospectus, comprises: (a) an amount of EUR 80,060,773.06, by way of a Liquidation Preference; and (b) EUR 858,678.41, by way of due and accrued but unpaid Distributions.

To ensure that future payments can be made on these Securities to the extent the Joint Liquidators are in a position to do so in the future, the principal amounts recorded as being outstanding on these Securities will not be written down nor will a pool factor be applied at this time as part of the process by which the payments referenced in this Notice are made.

Background: each of the Issuers were registered as a special purpose limited partnership for the purposes of issuing the Securities. LB GP No.1 Ltd (the "**Company**") acts as the General Partner of the Issuers. Bruce Alexander Mackay and Matthew Robert Haw of RSM UK Restructuring Advisory LLP were appointed as joint liquidators (the "**Joint Liquidators**") of the Company on 28 February 2017 pursuant to a special resolution of the Company's sole member, Lehman Brothers Holdings Inc. ("**LBHI**"). The appointment of the Joint Liquidators was ratified by the Company's creditors at a meeting of creditors held on 12 April 2017.

The appointment of the Joint Liquidators followed a Court process in which the Company was restored to the Register of Companies with effect from 3 February 2017. The restoration process and a number of related Court Orders that flowed from it were set out in the Joint Liquidators' Notice to Holders dated 23 June 2017 (the "**June 2017 Notice**"). The Company is part of the Lehman Investment Banking Group (the "**Group**"). Prior to the collapse of the Group in September 2008, a funding structure was developed by the Group to fund, on a subordinated basis, capital to be made available to Lehman Brothers Holdings Plc (in administration) ("**LBH**") and LBHI in respect of regulatory capital. The funding structure was established through five limited partnerships as follows:

- (i) Lehman Brothers UK Capital Funding LP ("**LP I**");
- (ii) Lehman Brothers UK Capital Funding II LP ("**LP II**");
- (iii) Lehman Brothers UK Capital Funding III LP ("**LP III**");
- (iv) Lehman Brothers UK Capital Funding IV LP ("**LP IV**"); and
- (v) Lehman Brothers UK Capital Funding V LP ("**LP V**").

(together the "**Partnerships**" or individually a "**Partnership**" as the context requires).

The Company acted as a general partner of each of the Partnerships. The Partnerships formed the structure of the capital funding arrangement. The purpose of the Partnerships was to raise regulatory capital for LBH and LBHI by issuing securities to investors.

Qualification Statement: this notice has been prepared using information obtained by Bruce Alexander Mackay and Matthew Robert Haw (i) acting as the Joint Liquidators of the Company; and (ii) acting as licensed insolvency practitioners specifically in relation to winding-up the Partnerships pursuant to an order of the High Court made in accordance with section 6(3) of the Limited Partnerships Act 1907. Reference in this notice to the Joint Liquidators also includes (where the context requires) Bruce Mackay and Matthew Haw acting as insolvency practitioners for the purpose of winding-up the Partnerships. Given the wider international failure and insolvency of associated Lehman entities and the passage of time since the Partnerships were active, it has been difficult to obtain all information relevant to the Partnerships and readers of this notice should understand that the Joint Liquidators' investigations have been hampered (in some cases) by the paucity of financial information and documentation.

Neither the Joint Liquidators nor RSM UK Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this notice.

This notice should be read in conjunction with the previous notices to the Holders issued by the Joint Liquidators on 23 June 2017, 13 November 2017, 11 May 2018, 19 November 2018, 25 September 2019, 17 March 2021, 30 August 2022 and 21 September 2023 copies of which are available on request.

Contacts: holders of the Securities who have queries concerning anything mentioned in this notice may contact the Joint Liquidators at:

RSM UK Restructuring Advisory LLP, 25 Farringdon Street, London, EC4A 4AB
E-mail: Samantha.Hawkins@rsmuk.com

Please note that in any correspondence with the Joint Liquidators, holders of the Securities will be required to verify their holdings of the relevant Securities to the Joint Liquidators by:

- such holder(s) sending an e-mail to the Joint Liquidators c/o Samantha Hawkins using the email address shown above and referencing "LB GP No. 1 Ltd (In Liquidation)" and the ISIN of the Securities in the subject line and disclosing the identity of the holder, the identity of the Partnership or Partnerships which issued the Securities, the nominal amount of each ISIN held by the holder and the details of the person(s) who shall represent the holder; and
- such holder(s) providing (by e-mail to the Joint Liquidators c/o Samantha Hawkins) a letter, screen shot or other proof of holding (in each case from Euroclear/Clearstream and their custodian (if applicable)) verifying each of its holdings in the Securities and disclosing the following information:
 - ISIN
 - Account number
 - Participant name
 - Nominal amount
 - Beneficial Holder details (including e-mail address)

This notice is given by



Bruce Alexander Mackay
Acting as Joint Liquidator of LB GP No.1 Ltd without personal liability
Of RSM UK Restructuring Advisory LLP

ISIN/CUSIP numbers used in this notice have been included solely for the convenience of the holders of Securities. The Joint Liquidators assume no responsibility for the selection or use of such number and make no representation as to the correctness of the numbers listed above.