

IMPORTANT NOTICE

Fixed Income Clearing Corporation



#: GOV103.08
Date: September 15, 2008
To: Government Securities Division Participants
Subject: Lehman Brothers, Inc.

FICC has received copies of a Voluntary Petition by Lehman Brothers Holdings Inc. to be placed in bankruptcy under Chapter 11 of the Bankruptcy Code and of a Press Release relating to the Lehman Brothers Holdings petition. Lehman Brothers Holdings Inc. is the parent of Lehman Brothers, Inc. ("Lehman"), a Government Securities Division ("GSD") netting member. The Press Release advises that Lehman Brothers Holdings Inc.'s U.S. broker/dealer subsidiary is not subject to this filing, and continues to be in operation as a broker/dealer.

Lehman Brothers, Inc., currently is in full compliance with the membership requirements for a GSD member.

This is to inform you that at the present time, FICC is continuing to act for Lehman and will keep members informed of ongoing developments at FICC regarding Lehman.

We also wish to emphasize that all transactions entered into by netting members in good faith with Lehman that have been compared by FICC remain fully guaranteed as to their settlement.

Any member that has a question or concern regarding this matter may call their relationship manager.

Nikki M. Poulos
Managing Director and General Counsel