

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6712
P&S# 6282
Date: September 24, 2008
To: **ALL PARTICIPANTS**
Attention: MANAGING PARTNER/OFFICER,
OPERATIONS PARTNER/OFFICER,
DIRECTOR OF OPERATIONS,
MANAGER P&S DEPARTMENT
From: General Counsel's Office
Subject: **NSCC CEASES TO ACT FOR LEHMAN BROTHERS INC. (NSCC
Member No. 0074; Additional Numbers 0036 and 6750)**

As announced in Important Notice A#6710 dated September 24, 2008, effective as of the close of business today, September 24, 2008, National Securities Clearing Corporation ("NSCC") ceased to act with respect to Lehman Brothers Inc. ("Lehman"), NSCC Member No. 0074 and Additional Numbers 0036 and 6750, which accounts are in the process of liquidation by a court appointed SIPC Trustee.

Following September 19, 2008, no trade input with respect to Lehman was submitted to or accepted by NSCC. Accordingly, please note the following details on how pending transactions will be processed by NSCC:

NSCC has adopted the policy of guaranteeing CNS trades from the later of: (a) midnight of T+1, and (b) midnight of the day the trades are reported to Members as compared or recorded. In addition, NSCC has the ability to guarantee, but not the obligation to guarantee, CNS trades which were reported to Members as compared or recorded on the day NSCC ceases to act for a Member.

I. NSCC has determined to guarantee CNS trades as follows:

1. CNS transactions with Lehman with the Trade Date of September 19, 2008 and prior will be processed and guaranteed by NSCC. This will include When-Issued CNS transactions with Trade Dates of September 19 and prior.
2. CNS transactions with Lehman that resulted from an option exercise or assignment on September 19, 2008 shall be guaranteed by NSCC.

II. With respect to ACATS activity, please refer to NSCC Important Notices A#6703 (dated September 22, 2008), A#6705 (dated September 22, 2008), A# 6709 (dated September 23, 2008) and A#6711 (dated September 24, 2008). Additional information with respect to Lehman ACATS processing, if any, will be provided via subsequent Important Notice.

III. With respect to non-CNS activity, the following shall apply:

1. Security Balance Orders including CNS Receive and Deliver Orders with Lehman for Settlement Dates of September 22, 23 and 24 should be sold out or bought in by the member named thereon without unnecessary delay in the best available market and all such close-outs must be accounted for to NSCC in accordance with Rule 18. Members should contact their Relationship Manager regarding accounting procedures in respect of these transactions.
2. Security Balance Orders (including CNS Receive and Deliver Orders) with Lehman for settlement dates of September 19, 2008 or prior shall be settled between the member named thereon and the SIPC Trustee, and not through the facilities of NSCC.
3. All Foreign Securities Netting, special trade and trade-for-trade transactions (including, but not limited to, compared Non-CNS Municipal Bond transactions) with Lehman are the sole responsibility of the parties of those transactions and should be settled between the Member named thereon and the SIPC Trustee and not through the facilities of NSCC.
4. No Fund/SERV activity will be processed after September 24, 2008.

IV. As of September 23, 2008, Lehman was removed from envelope services. Accordingly, any envelopes delivered to NSCC for Lehman hereafter will be returned to the deliverer, and no debits or credits will be processed.

Questions regarding this notice should be addressed to your Relationship Manager.