

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

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In re : **Chapter 11 Case No.**
:
LEHMAN COMMERCIAL PAPER INC., : **08-13900 (JMP)**
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Debtor. :
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**ORDER PURSUANT TO SECTIONS
105(a), 363(b), 363(c), AND 541(d) OF THE BANKRUPTCY
CODE AND BANKRUPTCY RULE 6004 AUTHORIZING DEBTOR TO
(A) CONTINUE TO UTILIZE ITS AGENCY BANK ACCOUNT, (B) TERMINATE
AGENCY RELATIONSHIPS, AND (C) ELEVATE LOAN PARTICIPATIONS**

Upon the motion, dated October 5, 2008 (the "Motion"), of Lehman Commercial Paper Inc. ("LCPI"), as debtor and debtor in possession (the "Debtor" and, together with Lehman Brothers Holdings Inc. and its other affiliated debtors, the "Debtors," and together with its debtor and non-debtor affiliates, "Lehman"), pursuant to sections 105(a), 363(b), and 363(c) of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for entry of an order authorizing the Debtor to (i) continue to utilize its agency bank account, (ii) terminate agency relationships, and (iii) elevate loan participations, all as more fully described in the Motion;¹ and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core

¹ Defined terms not defined herein shall have the same meaning as that assigned to them in the Motion.

proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the attorneys for LBHI's postpetition lenders; (iv) the Securities and Exchange Commission; (v) the Internal Revenue Service; (vi) the United States Attorney for the Southern District of New York; (vii) all parties who have requested notice in these chapter 11 cases; and (viii) Citibank, N.A., and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the "Hearing"); and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtor, its estate and its creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as provided herein; and it is further

ORDERED that the funds in the Agency Account are not property of the Debtor's estate, except to the extent of the Debtor's proportional share of such funds as lender; and it is further

ORDERED that the Debtor is authorized and empowered, pursuant to sections 105(a), 363(c), and 541(d) of the Bankruptcy Code, to continue to utilize the account residing at Citibank, N.A. and designated as account number 30434141 (the "Agency Account") consistent with its prepetition practice; and it is further

ORDERED that pursuant to section 105(a) of the Bankruptcy Code, Citibank, N.A. is authorized and directed to continue to maintain, service, and administer the Agency Account without interruption and in the ordinary course of, and to receive, process, honor and pay any and all checks, drafts, wires, or other transfer by holders or makers thereof, as the case

may be, including, without limitation, checks, drafts, wires, or other transfer issued or dated prior to the Commencement Date; and it is further

ORDERED that the Debtor shall maintain accurate records of all transfers in and out of the Agency Account so that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, its books and records, to the same extent maintained by the Debtor prior to the Commencement Date; and it is further

ORDERED that, pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtor is authorized and empowered but not directed to transfer, assign or resign from any and all Administrative Agent positions as it determines in accordance with its business judgment subject to and in accordance with the provisions of the applicable credit agreements and enter into customary successor agency agreements to facilitate the orderly transfer of the Debtor's agency duties; provided that no agreement providing for the transfer of such position shall (i) impose on the Debtor affirmative obligations or indemnities not existing as of the Commencement Date and that could give rise to administrative expense claims, or (ii) be inconsistent with the terms of the applicable credit agreement; and it is further

ORDERED that, upon the Debtor's transfer, assignment or resignation from any Administrative Agent position, the Debtor shall file with the Court a notice of such transfer, assignment or resignation, which notice shall include the name of the specific entity to which the position is being transferred or assigned; and it is further

ORDERED that, pursuant to sections 105(a), 363(c), and 363(b) of the Bankruptcy Code, the Debtor is authorized and empowered, in consultation with the Committee, to elevate participations and sub-participations (including all participations and sub-

participations in claims) subject to and in accordance with and to the extent permitted by the provisions of the applicable credit agreements or other applicable agreements; and it is further

ORDERED that all cash, securities and other property distributed or payable in respect of participations or sub-participations (to the extent such participations or sub-participations are true participations) are not property of the Debtor's estate, and shall be promptly turned over to the beneficial holders thereof; and it is further

ORDERED that, notwithstanding such elevation of participations or sub-participations, neither the Debtor nor the Committee nor any party in interest shall, by virtue of this Order, waive the right to subsequently argue that such participations or sub-participations are not true participations and that any cash or securities distributed to holders of such participations or sub-participations was property of the estate; and it is further

ORDERED that the Debtor is authorized to execute documents, deliver documents, and take other steps that are necessary in its business judgment to facilitate its termination of its agency positions and elevation of participations or sub-participations, subject to the terms of the applicable agreements or this Order, to the extent not inconsistent with the terms of this Order; and it is further

ORDERED that notwithstanding any applicability of Bankruptcy Rules 6004(h)² or 7062, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that nothing contained in this Order shall be deemed an assumption or rejection of any executory contract; and it is further

² Bankruptcy Rule 6004(h) is an interim bankruptcy rule adopted pursuant to standing General Order M-308 of the United States Bankruptcy Court for the Southern District of New York, signed on October 11, 2005 by Chief Judge Stuart M. Bernstein.

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rules 6004(a) are waived.

Dated: October 6, 2008
New York, New York

/s/ James M. Peck
UNITED STATES BANKRUPTCY JUDGE