



Facsimile Transmittal

Date: 8/6/08	Pages: (Including Cover) 2
To: Ian Lowitt	Fax: 646-758-3204
From: Steven A. Kandarian	Phone Number:
Re: Meeting	

Urgent For Review Please Comment Please Reply Please Recycle

MetLife®

August 6, 2008

Richard S. Fuld, Jr.
Chairman and Chief Executive Officer
Lehman Brothers Inc.
745 Seventh Avenue
New York NY 10019

Dear Dick,

It was a pleasure to meet with you and your senior management team. We found it a very frank and enlightening conversation. After discussing our reactions to the meeting, we believe there is enough common ground that we should continue our discussions. That said, there are several parameters that would guide our analysis and interest in any potential transaction or transaction structure, which we outline below:

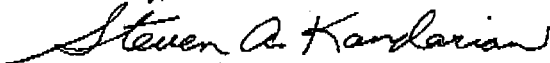
1. MetLife would invest in the common equity of Lehman such that it would result in a controlling stake;
2. MetLife would appoint a majority of board of directors members;
3. MetLife would use purchase accounting methods to account for its stake in Lehman;
4. Lehman and MetLife would agree on all mark-to-market adjustments of Lehman's balance sheet at the time of a transaction;
5. MetLife would expect, as much as practical, that adjustments would reflect actual trading or liquidation values of most sensitive assets, including residential and commercial mortgages and real estate, leveraged loans and asset-backed securities, and eliminate, or at least minimize, risk of further material markdowns;
6. Equity valuation would reflect adjustments for balance sheet assets and liabilities, change of control or anti-dilution provisions of other equity investors and structures to "reset" employee equity stakes, as well as further discussions pertaining to business model and earnings power going forward;
7. Lehman would continue to operate according to its business plan, subject to board of directors' responsibilities and oversight.

Other matters would require further discussion, including whether or not Lehman should retain public ownership and whether or not MetLife would consider a sizeable acquisition of commercial mortgage and real estate assets from Lehman.

As to next steps, we are prepared to move expeditiously. We would be available later this week to simultaneously engage in more detailed discussions of financial results and projections and begin due diligence, initially of the more sensitive asset classes such as residential and commercial mortgage and real estate investments, leveraged loans and asset-backed securities. We would likely engage financial and other advisors, if we were to proceed.

Again, we appreciate the candor of our conversations and look forward to your response.

Sincerely,



Steven A. Kandarian
Executive Vice President & Chief Investment Officer

cc: S. Lessing
I. Lowitt