

**TRANSFER AGREEMENT**

THIS TRANSFER AGREEMENT (this “**Agreement**”) is entered into this 19th day of September, 2008, by and among LEHMAN BROTHERS INC. (the “**Parent Transferor**”), LB I GROUP INC. (the “**Subsidiary Transferor**”) and LEHMAN ALI INC. (the “**Transferee**”).

**RECITALS**

WHEREAS, the Parent Transferor owns shares of capital stock, limited liability company membership interests or other equity ownership interests (“**Shares**”) of the entities listed on **Schedule 1** hereto (the “**Subject Entities**”); and

WHEREAS, the Subsidiary Transferor owns Shares of Townsend Analytics Ltd. (such Shares, the “**BarCap Transfer Securities**”);

NOW, THEREFORE, in consideration of the promises, covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged and accepted), the parties hereto, intending to be legally bound, agree as follows:

**SECTION 1. Transfers.**

(a) Effective as of the date hereof: (i) the Subsidiary Transferor hereby irrevocably transfers, conveys and assigns to the Parent Transferor, its successors and assigns, forever, all of the Subsidiary Transferor’s rights, title and interest in and to the BarCap Transfer Securities, and (ii) the Parent Transferor hereby acquires and accepts the Subsidiary Transferor’s rights, title and interest in and to the BarCap Transfer Securities.

(b) Effective as of the date hereof and immediately after the transfers described in Section 1(a): (i) the Parent Transferor hereby irrevocably transfers, conveys and assigns to the Transferee, its successors and assigns, forever, all of the Parent Transferor’s rights, title and interest in and to the Shares of the Subject Entities (including the Subsidiary Transferor) owned by the Parent Transferor (the “**Subject Shares**”), and (ii) the Transferee hereby acquires and accepts the Parent Transferor’s rights, title and interest in and to the Subject Shares.

(b) The transfers hereunder (i) are made effective prior to the SIPA proceeding on the date hereof and (ii) shall be subject to any pledge or security interest granted in connection with the Asset Purchase Agreement by and among Lehman Brothers Holdings Inc., a Delaware corporation, Parent Transferor, LB 745 LLC., a Delaware limited liability company, and Barclays Capital Inc., a Connecticut corporation.

SECTION 2. Consideration. In consideration for the transfer of the Subject Shares as contemplated by this Agreement, and in full payment thereof, the Transferee shall execute and deliver to the Parent Transferor a Note, dated the date hereof, in substantially the form attached hereto as **Exhibit A** (“**Note**”).

SECTION 3. Amendment; Waiver. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought.

SECTION 4. Further Assurances. Each of the parties hereto shall perform such further acts and execute such further documents as may be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby.

SECTION 5. Entire Agreement. This Agreement, taken together with the Note, constitutes the entire agreement between the parties hereto in respect of the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, among the parties hereto with respect to such subject matter. This Agreement is not intended to confer upon any person or entity, other than the parties hereto, any rights or remedies hereunder.

SECTION 6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and performed in such State.

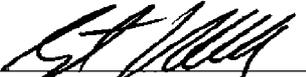
*[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

LEHMAN BROTHERS INC.

By:   
Name: STEVEN BERNUFELD  
Title: MANAGING DIRECTOR

LB I GROUP INC.

By:   
Name: STEVEN BERNUFELD  
Title: VICE PRESIDENT

LEHMAN ALI INC.

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to Transfer Agreement]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

LEHMAN BROTHERS INC.

By: \_\_\_\_\_  
Name:  
Title:

LB I GROUP INC.

By:   
Name: BARRY J. O'BRIEN  
Title: Vice President

LEHMAN ALI INC.

By:   
Name: BARRY J. O'BRIEN  
Title: Vice President

[Signature Page to Transfer Agreement]

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**Schedule 1**

**SUBJECT ENTITIES**

1. Blue Jay Realty Corporation
2. FRAH Special Services Inc.
3. LB I Group Inc.
4. LBI India Holdings Mauritius III Limited
5. LB Leasing Inc.
6. Lehman Brothers (Israel) Inc.
7. Lehman Brothers (Spain) S.A.
8. Lehman Brothers de Venezuela C.A.
9. Lehman Brothers Derivative Products Inc.
10. Lehman Brothers Europe Inc.
11. Lehman Brothers Finance (Japan) Inc.
12. Lehman Brothers Financial Products Inc.
13. Lehman Brothers Investment Holding Company Inc.
14. Lehman Brothers International Services, Inc.
15. Lehman Brothers Holdings International Inc.
16. Lehman Brothers Investment Management Asia Limited
17. Lehman Brothers Overseas Inc.
18. Lehman Brothers Securities Taiwan Limited
19. Lehman Brothers South Asia Limited (inactive)
20. Lehman Brothers Special Financing Inc.
21. Lehman Commercial Paper Inc.
22. Lehman Realty & Development Corp.
23. MBR/GP Corp.
24. RIBCO LLC
25. RIBCO SPC, Inc.

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**Exhibit A**

**FORM OF NOTE**

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