

SECURITY AGREEMENT

In consideration of one or more loans, letters of credit or other financial accommodation made, issued or extended by JPMORGAN CHASE BANK, N.A. (including its subsidiaries and affiliates, hereinafter called the "Bank"), the undersigned hereby agree(s) that the Bank shall have the rights, remedies and benefits hereinafter set forth.

The "Guaranty" means the Guaranty of even date herewith made by the undersigned in favor of the Bank.

The "Other Obligor" mean Lehman Brothers Inc., Lehman Brothers International (Europe), Lehman Brothers Bankhaus AG, Lehman Brothers OTC Derivatives Inc., Lehman Bros Commercial Paper Inc, Lehman Brothers Bank FSB, Lehman Brothers Commercial Bank and Lehman Brothers Japan and their respective successors.

The "Clearance Agreement" means, collectively, (a) the Clearance Agreement dated as of June 15, 2000 to which one or more of the Other Obligors and the Bank are parties (as amended by the Amendment to Clearance Agreement dated as of May, 30, 2008) and (b) any other Clearance Agreement (as emended) entered into by any Other Obligor and the Bank.

The term "Liabilities" shall mean (a) all "Liabilities" as defined in the Guaranty, (b) all obligations of the undersigned under this Security Agreement and (c) without duplication of the foregoing, all costs, expenses and charges (including without limitation fees and charges of external legal counsel for the Bank and costs allocated by its internal legal department) incurred by the Bank in connection with the preparation, performance or enforcement of the Guaranty and this Security Agreement.

The term "Security" means: (i) every deposit account, now or hereafter existing of the undersigned with the Bank (other than an account maintained by the undersigned pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 as a "Special Reserve Account for the exclusive Benefit of Customers") and all balances therein and any other claim of the undersigned against the Bank, now or hereafter existing; (ii) all securities accounts, now or hereafter existing, of the undersigned with the Bank (whether for custody, clearance, trust, safekeeping, investment management or otherwise); (iii) all money, instruments, securities, investment property, financial assets (and all security entitlements in respect thereof), documents, chattel paper, credits, claims, demands, precious metals and any other property, rights and interests of the undersigned which at any time shall come into the possession or custody or under the control of the Bank or any of agents, associates or correspondents, for any purpose (including, without limitation, any securities, instruments, financial assets or cash held in trust, or in any securities, deposit, custody, sub-custody, clearance, safekeeping or investment management accounts) or pledged to the Bank at or through The Depository Trust Company, any other securities intermediary or the Federal Reserve Bank of New York or otherwise maintained or transferred to an account of the Bank at The Depository Trust Company, any other securities intermediary or the Federal Reserve Bank of New York; and (iv) the proceeds, products, accessions and substitutions of and to any thereof. The Bank shall be deemed to have possession of any of the Security in transit to or set apart for it or any of their respective agents, associates or correspondents.

As security for the payment of all the Liabilities, the undersigned hereby grant(s) to the Bank a security interest in, and a general lien upon and/or right of set-off of, the Security. Further, for the avoidance of doubt and not in limitation of the rights of the Bank under Sections 9-104(a)(1), 9-106(a) and 8-106(e) of the Uniform Commercial Code as adopted by the State of

New York (the "Code"), the undersigned and the Bank (acting as a bank with respect to any deposit accounts and as a securities intermediary with respect to any securities accounts, in either case maintained at the Bank), acknowledge and agree with respect thereto, that the Bank, as the secured party hereunder, may issue instructions to direct disposition of any and all of the funds in the deposit accounts (and acting as the bank will comply with such instructions) and may issue entitlement orders with respect to any and all securities accounts (and acting as the securities intermediary will comply with such entitlement orders), in either case, without the consent of the undersigned. Terms used herein and defined in Articles 1, 8 and/or 9 of the Code shall have the meanings set forth therein. The undersigned and the Bank agree that the jurisdiction of the Bank (including, without limitation, in its capacities as a bank, a securities intermediary and a commodity intermediary) for purposes of the Code is the State of New York.

The undersigned hereby represents and warrants to, and agrees with the Bank, on the date hereof and until such time as the Bank shall notify the undersigned in a signed writing of the release of the security interest granted hereunder, as follows: (a) it is duly organized and validly existing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this agreement; (b) the execution, delivery and performance of this agreement has been duly authorized by all necessary action of the undersigned and any partner thereof and this agreement constitutes the legal, valid and binding obligation of the undersigned; (c) the execution, delivery and performance of this agreement does not and will not conflict with the provisions of its governing instruments and will not violate any provisions of applicable law or regulation or any order of any court or regulatory body and will not result in the breach of, or constitute a default, or require any consent, under any agreement, instrument or document to which the undersigned is a party or by which it or any of its property may be bound or affected; (d) it is the sole owner of the Security; (e) the Security is and will be free and clear of any lien, charge, security interest, claim, encumbrance or other adverse interest whatsoever, except for that created by this agreement, and (f) it has not agreed to resell any of the Security pursuant to a repurchase agreement or similar arrangement.

The right is expressly granted to the Bank, at its discretion, to transfer to or register in the name of itself or its nominee any of the Security; to exchange any of the Security for any other property upon any reorganization, recapitalization or other readjustment and in connection therewith to deposit any of the Security with any committee or depositary upon such terms as it may determine; to notify any account debtor or obligor on an instrument to make payment to the Bank; and to exercise or cause its nominee to exercise all or any powers with respect to the Security with the same force and effect as an absolute owner thereof; and to file one or more financing statements under the Uniform Commercial Code naming the undersigned as debtor and the Bank as secured party and indicating therein the types or describing the items of Security herein specified; all without notice (except such notice as may be required by applicable law and cannot be waived) and without liability except to account for property actually received by it. Without limiting the generality of the foregoing, payments, distributions and/or dividends, in securities, property or cash, including without limitation dividends representing stock or liquidating dividends or a distribution or return of capital upon or in respect of the Security or any part thereof or resulting from any split-up, revision or reclassification of the Security or any part thereof or received in exchange for the Security or any part thereof as a result of a merger, consolidation or otherwise, shall be paid directly to and retained by the Bank and held by it until applied as herein provided, as additional collateral security pledged under and subject to the terms hereof. Without the prior written consent of the Bank the undersigned will not file or authorize or permit to be filed in any jurisdiction any such financing or like statement in which the Bank is not named as the sole secured party.

The Bank at its discretion may, whether any of the Liabilities be due, in its name or in the name of the undersigned or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any compromise or settlement deemed desirable with respect to, any of the Security, but shall be under no obligation so to do, or the Bank may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release, any of the Security, without thereby incurring responsibility to, or discharging or otherwise affecting any liability of, the undersigned. The Bank shall not be required to take any steps necessary to preserve any rights against prior parties to any of the Security. The Bank may use or operate any of the Security for the purpose of preserving the Security or its value in the manner and to the extent the Bank deems appropriate, but the Bank shall be under no obligation to do so.

Upon default hereunder or in connection with any of the Liabilities (whether such default be that of the undersigned or of any other party obligated thereon), the undersigned shall, at the request of the Bank, assemble the Security at such place or places as the Bank designates in its request. The Bank shall have, in addition to all other rights and remedies available to it under law or otherwise, the rights and remedies with respect to the Security of a secured party under the Uniform Commercial Code (whether or not the Code is in effect in the jurisdiction where the rights and remedies are asserted). In addition, with respect to any security or interest issued by an open-end management or investment company registered as such under the Investment Company Act of 1940 in which the Bank has a security interest hereunder, the Bank shall have the right to redeem such securities or interests. Further, with respect to the Security, or any part thereof, which shall then be or shall thereafter come into the possession or custody of the Bank or any of its agents, associates or correspondents, the Bank may sell or cause to be sold in the Borough of Manhattan, New York City, or elsewhere, in one or more sales or parcels, at such price as the Bank may deem best, and for cash or on credit or for future delivery, without assumption of any credit risk, all or any of the Security, at any broker's board or at public or private sale, in any reasonable manner permissible under the Uniform Commercial Code (except that, to the extent permissible thereunder, the undersigned hereby waives the requirements of said Code), and the Bank or anyone else may be the purchaser of any or all of the Security so sold and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any equity of redemption, of the undersigned, any such demand, notice or right and equity being hereby expressly waived and released. In this regard, the undersigned recognizes that due to certain prohibitions contained in the Securities Act of 1933, as amended, or applicable state securities laws, the Bank may consider it advisable to resort to one or more private sales to a restricted group of purchasers who will agree to acquire such of the Security consisting of securities for their own account for investment and not to engage in a distribution or resale thereof, and that private sales so made may be at prices and on other terms less favorable to the seller than if such Security were sold at public sale. The undersigned agrees that private sales made under the foregoing circumstances shall be deemed to have been made in a commercially reasonable manner. The undersigned acknowledges that the Security is of a kind that is customarily sold on a recognized market and is the subject of widely distributed standard price quotations. The undersigned will pay to the Bank all expenses (including reasonable attorneys' fees and legal expenses incurred by the Bank) of, or incidental to, the enforcement of any of the provisions hereof or of any of the Liabilities, or any actual or attempted sale, or any exchange, enforcement, collection, compromise or settlement of any of the Security or receipt of the proceeds thereof, and for the care of the Security and defending or asserting the rights and claims of the Bank in respect thereof, by litigation or otherwise, including expense of insurance; and all such expenses shall be indebtedness within the terms of this agreement. The Bank, at any time, at its option, may apply the net cash receipts from the Security to the payment of principal and/or interest on any of the Liabilities, whether or not then due, making proper rebate of interest or

discount. Notwithstanding that the Bank, whether in its own behalf and/or in behalf of another or others, may continue to hold Security and regardless of the value thereof, the undersigned shall be and remain liable for the payment in full of any balance of the Liabilities and expenses at any time unpaid. THE RIGHTS OF THE BANK SET FORTH HEREIN ARE WITHOUT LIMITATION OF, AND IN ADDITION TO, ANY OTHER RIGHT OF THE BANK UNDER ANY OTHER DOCUMENT EVIDENCING OR EXECUTED IN CONNECTION WITH THE LIABILITIES.

If at any time any sum payable upon any of the Liabilities shall not be paid when due ("on demand", if a demand obligation such as a demand loan or at maturity, by acceleration or otherwise for any other type of Liability); or if the Security shall be unsatisfactory to the Bank, and the undersigned shall fail forthwith upon the Bank's demand to furnish such further security or make such payment on account of any of the Liabilities as will be satisfactory to the Bank; or if the undersigned, the Other Obligors or any maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person liable upon or for any of the Liabilities or Security shall default in the performance of the Guaranty, the Clearance Agreement, any of its agreements herein or in any instrument or document delivered pursuant hereto, or in connection herewith; or if a decree or order shall be entered for relief by a court having jurisdiction of the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety accommodation party or other person in an involuntary bankruptcy case under the federal bankruptcy laws, as now or hereafter constituted, or under any other applicable federal or state bankruptcy, insolvency, or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator of the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person or for any substantial part of its property, or ordering the reorganization, dissolution, winding-up of or liquidation of its affairs, and the continuation of any such decree or order shall be unstayed and in effect, or any case or other proceeding seeking any such decree or order shall continue undismissed, for a period of 60 consecutive days; or if the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person shall, or (if a corporation) shall take any corporate action to, commence a voluntary case under the federal bankruptcy laws, or now or hereafter constituted, or seek to take advantage of any other applicable federal or state bankruptcy, insolvency, or similar law, or apply for or consent to the appointment of or taking of possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator of the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person or for any substantial part of its property, or the making by the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person of any assignment for the benefit of creditors; or the undersigned, the Other Obligors or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person shall admit in writing its inability, or be generally unable, to pay its debts as they become due; or if the undersigned or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person or any copartnership of which the undersigned or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person is (are) a member (or members) shall suspend the transaction of his, its or their usual business, or be expelled from or suspended by any stock or securities exchange, or any other exchange, or any proceeding, procedure or remedy supplementary to or in enforcement of judgment shall be resorted to or commenced against, or with respect to any property of, the undersigned, the Other Obligors or any such copartnership, maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person; or if any governmental authority (including, without limitation, the Securities Investor Protection Corporation or any successor) or any court at the instance thereof shall, or shall appoint a receiver or trustee to, take possession of any substantial part of the property of, or assume control over the affairs or operations of, or a receiver or trustee shall be appointed for, or with respect to any substantial part of the property of, or a writ or order of attachment or

garnishment shall be issued or made against any of the property of, the undersigned, the Other Obligors or any such copartnership, maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other party or other person; or if any indebtedness of the undersigned or of any such copartnership, maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person for borrowed money shall become due and payable by acceleration of maturity thereof; or if the undersigned or such maker, drawer, acceptor, indorser, guarantor, surety, accommodation party or other person (if a corporation) shall be dissolved or be a party to any merger or consolidation without the written consent of the Bank; thereupon, unless and to the extent that the Bank shall otherwise elect, it shall be a **DEFAULT** under this agreement.

The Bank may assign, transfer and/or deliver to any transferee of any of the Liabilities and/or any or all of the Security; and thereafter shall be fully discharged from all responsibility with respect to the Security so assigned, transferred and/or delivered. Such transferee shall be vested with all the powers and rights of the Bank hereunder with respect to such Security, but the Bank shall retain all rights and powers hereby given with respect to any of the Security not so assigned, transferred or delivered. No delay on the part of the Bank in exercising any power or right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right. The rights, remedies and benefits herein expressly specified are cumulative and not exclusive of any rights, remedies or benefits which the Bank may otherwise have. The undersigned hereby waive(s) presentment, notice of dishonor and protest of all instruments included in or evidencing the Liabilities or the Security and any and all other notices and demands whatsoever, whether or not relating to such instruments.

Unless otherwise agreed, loans, advances or credits heretofore or hereafter obtained from or through the Bank by the undersigned shall be repayable at the principal office of the Bank in the City of New York upon demand and shall bear interest at the maximum rate per annum permissible under applicable law.

No provision hereof shall be modified or limited except by a written instrument expressly referred hereto and to the provision so modified or limited. The undersigned, if more than one, shall be jointly and severally liable hereunder and all provisions hereof regarding the Liabilities or Security of the undersigned shall apply to any Liability or any Security of any or all of them. This agreement shall be binding upon the heirs, executors, administrators, assigns or successors of the undersigned, shall constitute a continuing agreement, applying to all future as well as existing transactions, whether or not of the character contemplated at the date of this agreement, and if all transactions between the Bank and the undersigned shall be at any time closed, shall be equally applicable to any new transactions thereafter; shall so continue in force notwithstanding any change in any partnership party hereto, whether such change occurs through death, retirement or otherwise; and shall be governed by and construed according to the internal laws of the State of New York without reference to principles of conflicts of laws. By the execution hereof the undersigned hereby submits to the jurisdiction of the Federal and State courts located in New York. The undersigned hereby consents to the service of process in any action or proceeding brought against it by the Bank by means of registered mail to the last known address to the undersigned. Nothing herein, however, shall prevent service of process by any other means recognized as valid by law within or without the State of New York. Unless the context otherwise requires, all terms used herein which are defined in the Uniform Commercial Code shall have the meanings therein stated. All references to agreements, guaranties, documents and other writings herein refer to such writings as the same may be hereafter amended, modified, supplemented and/or restated.

THE UNDERSIGNED HEREBY WAIVES AND AGREES TO WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM INSTITUTED WITH RESPECT TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT.

New York, New York

LEHMAN BROTHERS HOLDINGS INC

Dated: August __, 2008

By: _____
Name:
Title: