

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

In re

LEHMAN BROTHERS INC.,

Debtor.

Case No. 08-01420 (JMP) SIPA

**STIPULATION AND ORDER IN CONNECTION WITH THE RETURN TO
HIGHBRIDGE INTERNATIONAL LLC OF A POST-PETITION MISDIRECTED
DELIVERY OF SECURITIES**

WHEREAS, on September 19, 2008 (the “Commencement Date”), a proceeding was commenced under the Securities Investor Protection Act of 1970 (“SIPA”) with respect to Lehman Brothers Inc. (“LBI”) and James W. Giddens was appointed as Trustee under the SIPA (the “Trustee”) to administer LBI’s estate (Case No. 08-01420, such proceeding, the “SIPA Proceeding”);

WHEREAS, after the Commencement Date, on December 3, 2008, Highbridge International LLC (the “Sender”) through JPMorgan Clearing Corporation delivered \$5,000,000 face value of Enzon Pharmaceuticals, Inc. 4% Notes due 6/1/2013 (CUSIP US293904AE85) (such notes, the “Notes” and such delivery of the Notes, the “Delivery”) to LBI participant ID 0074 at The Depository Trust Company;

WHEREAS, since December 3, 2008, the Trustee has received semi-annual coupon distributions on the Notes totaling \$800,000 (the “Coupon Payments”);

WHEREAS, the Sender notified the Trustee and represented that the Delivery had been made in error and that the Notes should have been delivered to another account; and

WHEREAS, following receipt from the Sender of information concerning the Delivery and a request for the return of the Notes and Coupon Payments (collectively, the “Request Documents”), the Trustee conducted an investigation and, in consultation with his professional advisors, determined that the Delivery had in fact been misdirected and that the Trustee should return the Notes and Coupon Payments.

NOW, THEREFORE, in consideration of the mutual covenants set forth below, IT IS HEREBY STIPULATED AND AGREED BY THE PARTIES HERETO THAT:

1. The Trustee is authorized to instruct the return of the Notes and Coupon Payments in accordance with instructions provided by the Sender within three (3) business days of the Court’s approval of this Stipulation;
2. Upon the Trustee’s delivering the Notes and Coupon Payments in accordance with instructions received from the Sender, the Sender and its respective agents,

employees, principals, professionals, successors, and assigns shall be deemed to have waived and released any claims they might have against the Trustee, his professionals, successors and assigns, the LBI estate and the Securities Investor Protection Corporation (“SIPC”) with respect to such Notes and/or Coupon Payments and the Delivery, including, without limitation, any claims for interest, dividends, costs and attorneys fees;

3. The Trustee is relying on the representations in this Stipulation and the Request Documents, that these representations are true and correct, and that the Sender acknowledges that the Trustee can refuse to deliver or seek the return of the Notes and Coupon Payments if these representations are not true and correct;
4. The Sender agrees to indemnify the Trustee, the LBI estate, the Trustee’s professionals and agents and SIPC against any liabilities and expenses they may incur for any claim made against any of them (including, without limitation, any claim made by them to recover the Notes and/or Coupon Payments), relating to or arising out of any material misrepresentation made by the Sender or on the Sender’s behalf in connection with the return of the Notes and/or Coupon Payments;
5. The Trustee and the Sender expressly reserve all of their rights and defenses with respect to any other claims each might have against the other;
6. Notwithstanding the proposed return of the Notes and Coupon Payments pursuant to this Stipulation, nothing herein shall be construed to prejudice the Trustee’s rights in any way whatsoever to determine whether any other notes or funds have been misdirected and must be returned or to require the Trustee to seek court approval to return misdirected notes or funds. The Trustee expressly reserves all of his rights with respect to notes and funds alleged to have been misdirected;
7. This Stipulation may be signed in counterparts which, when taken as a whole, shall constitute one and the same document; and faxed signatures shall be deemed originals;
8. Each individual signing this Stipulation on behalf of any party hereto acknowledges and, with respect to his or her own signature below, warrants and represents that he/she is authorized to execute this Stipulation in his/her representative capacity, as reflected below and on behalf of the party indicated; and

9. This Stipulation shall be governed by and shall be interpreted in accordance with the laws of the State of New York, except to the extent that the Bankruptcy Code or SIPA apply, without regard to New York's rules governing conflicts of laws. The Sender expressly submits to the personal jurisdiction of this Court in respect of the interpretation and enforcement of this Stipulation and the rights hereunder.

Dated: New York, New York
January 31, 2013

By: /s/ James Glynn
James Glynn
Chief Financial Officer
Highbridge Capital Management, LLC
40 West 57th Street, 32nd Floor
New York, New York 10019
(212) 287-5577

AGENT FOR HIGHBRIDGE
INTERNATIONAL LLC

By: /s/ Ramsey Chamie
James B. Kobak, Jr.
Daniel S. Lubell
Ramsey Chamie
HUGHES HUBBARD & REED LLP
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

ATTORNEYS FOR JAMES W. GIDDENS,
ESQ., AS TRUSTEE FOR THE SIPA
LIQUIDATION OF THE BUSINESS OF
LEHMAN BROTHERS INC.

SO ORDERED:

Dated: New York, New York
February 13, 2013

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge