

# Lehman Corporate Bond Update

**Finance and Insurance Committee  
August 15, 2011**

# Lehman Corporate Bond Update

- September 15, 2008 Lehman Brothers Holdings Inc. filed for Bankruptcy.
- Metropolitan owns two Lehman Corporate Bonds with a par value of \$5.288 million.
  - Senior unsecured debt
  - Value after September 15, 2008 was \$687,440
  - Value at July 31, 2011 was \$1,407,000

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- Metropolitan filed a Proof of Claim with the Bankruptcy Court on October 27, 2008 for \$5.380 million.
  - Metropolitan's claim was classified as Class 3 Senior Unsecured Claim
- Wilmington Trust Company, as successor indenture trustee, filed a Proof of Claim that included the Lehman Bonds owned by Metropolitan.

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- The Bankruptcy Court expunged original proof of claims by Metropolitan and over 2600 other claims as being duplicative of Wilmington's claim.
- While three alternate plans to pay bondholders have been filed with the Bankruptcy Court, two plans have been withdrawn.
- On August 30, 2011 the Court will hold a hearing on the Disclosure Statement filed by Debtors.

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- Options:
  - Wait for the decision of the Bankruptcy Court and approval of creditors that will result in allocations to bondholders or
  - Sell the bonds in the open market on a competitive basis.