Information Circular: Lehman Brothers ETNs

To: Head Traders, Technical Contacts, Compliance Officers, Heads of ETF Trading, Structured Products Traders

From: William Slattery, Associate Vice President, NASDAQ Listing Qualifications Department

DATE: February 21, 2008

<table>
<thead>
<tr>
<th>Index-Linked Notes</th>
<th>Symbol</th>
<th>CUSIP Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lehman Brothers Opta Exchange-Traded Notes Linked to the LBCI Pure Beta Total Return</td>
<td>RAW</td>
<td>52522L731</td>
</tr>
<tr>
<td>Lehman Brothers Opta Exchange-Traded Notes Linked to the LBCI Pure Beta Agriculture Total Return</td>
<td>EOH</td>
<td>52522L749</td>
</tr>
</tbody>
</table>

Information on the Notes

Lehman Brothers (the “Issuer”) has issued Opta Exchange-Traded Notes (“Notes”) linked to commodity-based indexes. RAW is linked to the Lehman Brothers Commodity Index Pure Beta Total Return (the “Pure Index”) and EOH is linked to the Lehman Brothers Commodity Index Pure Beta Agriculture Total Return (the “Agriculture” Index). The Notes were both priced at $50 each and mature on February 25, 2038.

The Pure Index provides exposure to four major segments of the commodities market: energy, metals, agriculture, and livestock. The Agriculture Index provides exposure to the agriculture component of the Pure Index: corn, coffee, sugar, wheat, cotton, soybean oil, soybean meal, and soybeans.

The Notes are registered, senior, unsecured debt securities of the Issuer. The Notes do not represent ownership in the underlying assets. Typically, no periodic coupon payments or cash distributions will be made prior to maturity or sale.

If held to maturity, investors in the Notes will receive a cash payment equal to (1) the principal amount of the Notes times (2) the Index Factor on the Final Valuation Date times (3) the Fee Factor on the Final Valuation Date.

The Index Factor on any given day will be equal to the closing level of the index on that day divided by the Initial Index Level, subject to postponement and adjustment due to a market disruption event as described in the prospectus. The Initial Index Level is the closing level of the index on the inception date. The Final Valuation Date is February 22, 2038. The Fee Factor is equal to (a) one minus the Annual Investor Fee, raised to the power of (b) the number of days elapsed from the inception date to and including the applicable valuation date divided by 365. The Annual Investor Fee is equal to 0.85%.

Please refer to the prospectus for the Notes for additional information.
It is expected that the market value of the Notes will depend substantially on the value of the underlying indexes and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the underlying indexes, the time remaining to maturity, the dividend yield of the stocks comprising the underlying indexes, and the credit ratings of the Issuer.

Trading in the Notes on NASDAQ is on a UTP basis and is subject to NASDAQ equity trading rules. The Notes will trade from 7:00 a.m. until 8:00 p.m. Eastern Time. Additional risks may exist with respect to trading the Notes during Nasdaq's Pre-Market and Post-Market sessions, when the Index's value may not be disseminated.

Trading of the Notes on NASDAQ is subject to the provisions of NASDAQ Rule 2310. Members recommending transactions in the Notes to customers should make a determination that the recommendation is suitable for the customer. In addition, members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the NASDAQ Conduct Rules.

Members also should review NASD Notice to Members 03-71 for guidance on trading these products. The Notice reminds members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

This Information Circular is not a statutory prospectus. NASDAQ members should consult the registration statement or prospectus for the Notes for additional information.

Inquiries regarding this Information Circular should be directed to:

- Will Slattery, NASDAQ Listing Qualifications, at 301.978.8088
- NASDAQ Market Sales at 800.846.0477