

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

_____)	
In the Matter of)	
)	ORDER TO
LEHMAN BROTHERS COMMERCIAL BANK)	CEASE AND DESIST
SALT LAKE CITY, UTAH)	
)	FDIC-08-242b
(INSURED STATE NONMEMBER BANK))	
_____)	

LEHMAN BROTHERS COMMERCIAL BANK, SALT LAKE CITY, UTAH ("Insured Institution"), having been advised of its right to a Notice of Charges and of Hearing detailing the unsafe or unsound banking practices which have or may arise at the Insured Institution by reason of the financial deterioration of Lehman Brothers Holdings, Inc. ("Parent Company") and of its right to a hearing on the alleged charges under section 8(b)(1) of the Federal Deposit Insurance Act ("Act"), 12 U.S.C. § 1818(b)(1), and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER TO CEASE AND DESIST ("CONSENT AGREEMENT") with counsel for the Federal Deposit Insurance Corporation ("FDIC"), dated September 14, 2008, whereby solely for the purpose of this proceeding, the Insured Institution consented to the issuance of an ORDER TO CEASE AND DESIST ("ORDER") by the FDIC.

Therefore, the FDIC hereby issues this ORDER and hereby gives notice pursuant to section 8(b)(1) of the Act, 12 U.S.C. § 1818(b)(1), that the Insured Institution be and hereby is ORDERED TO TAKE AFFIRMATIVE ACTION TO PREVENT any violations of law and/or unsafe or unsound banking practices from occurring and shall not, without the prior written consent of the Regional Director of the FDIC's New York Regional Office:

A. Directly or indirectly enter into, participate in, or otherwise engage in or allow any extension of credit to the Parent Company or to any other "affiliate" of the Insured Institution and/or directly or indirectly enter into, participate in, or otherwise engage in or allow any "covered transaction" or "transaction covered" with the Parent Company or with any "affiliate" of the Insured Institution regardless of whether such "extension of credit", "covered transaction" or "transaction covered" would be prohibited, limited or otherwise regulated by Sections 23A or 23B of the Federal Reserve Act ("Sections 23A and 23B"), 12 U.S.C. §§ 371c and 371c-1.

For purposes of this ORDER, "extension of credit" shall be defined as set forth at 12 C.F.R. § 215.3 and "affiliate," "covered transaction" and "transaction

covered" shall have the meanings set forth in Sections 23A and 23B; provided, however, that the terms "covered transactions" and "transactions covered" shall not include the continued provision of and payments for operational services provided by affiliates under pre-existing contracts in the normal course of business, including the provision of technology platforms and dual employees.

B. Declare or pay dividends or any other form of payment representing a reduction in capital.

C. Permit the amount of "Brokered Deposits" (as such term is by at 12 C.F.R. § 337.6) held by the Insured Institution to exceed the amount held as of the date of this ORDER.

All requests for prior written approval required under this ORDER shall be received at least 15 days prior to the proposed "extension of credit", "covered transaction", "transaction covered" or dividend declaration date and shall contain, but not be limited to, an analysis of the impact such proposed extension, transaction, dividend or other payment would have on the Insured Institution's capital position, cash flow, concentrations of credit, asset quality and allowance for loan and lease loss needs.

This ORDER shall be effective immediately upon service on the Insured Institution and shall remain in full force

and effect, pending the completion of the administrative proceedings instituted pursuant to the foregoing NOTICE.

The provisions of this ORDER shall be binding upon the Insured Institution, its institution-affiliated parties, and any successors and assigns thereof.

Pursuant to delegated authority.

Dated: September 14, 2008.

Doreen R. Eberley
Regional Director
Division of Supervision
and Consumer Protection