

METWEST

To: MetWest Clients
From: MetWest Risk Management Team
Date: September 23, 2008
Re: Current Status of the Lehman Indices and Analytics Tools

With the bankruptcy filing of Lehman Bros. Holdings and subsequent sale of Lehman's investment banking and trading divisions to Barclays, the future of the Lehman family of indices, including the widely followed Lehman Aggregate Index, was called into question last week. Many clients rely upon the Lehman indices as a performance benchmark and MetWest uses Lehman analytic tools to support acquisition of index data.

Since the bankruptcy announcement, we have had numerous conversations with representatives of both the Lehman Index Group and the Lehman analytics team exploring the status and future viability of these parts of the business. Service from the Index group was uninterrupted last week, with pricing coming from remaining Lehman traders and third party sources. This week, Lehman's index and analytics website states data is being prepared by both Barclays Capital Inc. and Neuberger Berman LLC.

Because of possible disruptions or data discrepancies, MetWest is carefully monitoring Lehman's data feed as part of its nightly data scrub. As of September 23, 2008, we have found Lehman index data to be delivered reliably and consistent with expectations. Barclays has reaffirmed their commitment to the Lehman indices, including issuing a statement saying, "Recognizing the industry significance of these indices, Barclays is committed to maintaining the family of Lehman indices and the associated index calculation, publication and analytical infrastructure and tools."

While the Lehman family of indices looks to be stable, MetWest has explored a number of contingency plans on behalf of our clients, and is prepared to make any adjustments in the case of an interruption or termination of service from Lehman and/or Barclays.

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