APPENDIX F

BRIEF COMPARISON BETWEEN THE CONTENTS OF THE PROSPECTUSES FOR MINIBOND SERIES 1, 27, 34 & 35

(There is a single, standalone prospectus for each of Tranche 1 and Tranche 2 of Minibond Series 1. For Minibond Series 27, 34 and 35, the Issuer adopted the dual prospectus approach and unless otherwise specified, page references below refer to those pages of the relevant issue prospectus.)

	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
1	**The notes are not principal protected**	Cover page, p. 20	Cover page, p. 30	P. 9, 12, 14	P. 3, 9, 12, 14, 16	Same as series 27 and 34 (p. 3, 9, 12, 14, 16)
2	**Investors could lose part, and possibly all of their investment**	- (Prospective investors were warned that there was no guarantee of recovery)	- (Prospective investors were warned that there was no guarantee of recovery)	P. 9, 12, 14	P. 9, 14, 16	P. 9, 14, 16
3	**The notes are not suitable for everyone / Investors should decide for themselves whether the notes meet their investment needs**	-	-	The issue prospectus explains that the notes are not suitable for everyone and investors should make sure they understand how the notes work and that an investment in the notes is appropriate for them in light of their own individual financial position and investment objectives before deciding whether or not to invest. (p. 10)	Same as series 27. (p. 11-12)	Same as series 27 and 34. (p. 11-12)

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	Disclosure	**Series 1, tranche 1 (April 2002)**	**Series 1, tranche 2 (July 2002)**	**Series 27 (August 2006)**	**Series 34 (November 2007)**	**Series 35 (January 2008)**
4	**Credit risks of reference entities and credit event redemption amount could be much less than investment amount**	Investors are exposed to credit risks of the underlying securities issuer and the underlying securities guarantor; and risks relating to the liquidity of the underlying securities. (p. 23, 24) The notes will be early redeemed by the Issuer if the underlying securities become capable of being declared repayable prior to their maturity date or there is a payment default in respect thereof. (p. 9, 54) Upon occurrence of an early redemption event, the underlying securities will be sold and the notes will be early redeemed. (p. 9) In such event, the early redemption amount may be less than the	Same as first tranche. (p. 10, 33, 34, 64, 110, Appendix II)	Investors are exposed to the credit risks of the reference entities. Investors will receive back less and probably significantly less than the principal amount if a credit event occurs to any one of the reference entities. (p. 4, 8, 9, 14-15)	Same as series 27 (p. 4, 8, 9, 12, 16-17) The IP contains one additional risk factor regarding successor reference entity – The reference entities (other than the PRC) can only be changed in limited circumstances such as a merger, de-merger, spin-off or similar corporate reorganisation. The successor reference entity could have a different, and worse, credit rating than the predecessor reference entity. If a reference entity is replaced by more than one successor, the riskiness of the notes will increase because investors are exposed to the credit risks of a greater number of reference entities and accordingly the	Same as series 34 (p. 4, 8, 9, 12, 16-17)

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	Disclosure	**Series 1, tranche 1 (April 2002)**	**Series 1, tranche 2 (July 2002)**	**Series 27 (August 2006)**	**Series 34 (November 2007)**	**Series 35 (January 2008)**
		principal amount. (p. 54) Appendix II of the prospectus contains a description of the underlying securities including what may constitute an event of default thereunder (such as bankruptcy or insolvency of the underlying securities guarantor). (p. 97, Appendix II)			likelihood of a credit event happening to any one of the reference entities would increase. (p. 11)	
5	**Swap counterparty has priority in terms of payment / Limited recourse nature of the notes**	Cover page, p. 8, 20, 21, 34, 35, 44	Same as Series 1 first tranche. (Cover page, p. 8, 9, 30, 31, 44, 45, 54)	P. 15-16	P. 18	P. 18
6	**Issuer is a thinly-capitalised special purpose company and has no**	P. 20	P. 30	The Issuer has no significant assets other than the collateral and the swap arrangements which back each series of the notes. (p. 15)	Same as series 27. (p. 18)	Same as series 27 and 34. (p. 18)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
	significant assets					
7	**Early redemption following credit event**	The notes shall be early redeemed by the Issuer if the underlying securities become capable of being declared repayable prior to the maturity date or there is a payment default thereunder (p. 9, 54)	Same as series 1 first tranche. (p. 10, 64)	If a credit event happens to any one of the reference entities on or before the second business day prior to the maturity date, the investors will only receive back the credit event redemption amount, which will likely be less, and could be significantly less, than the principal amount invested. (p. 8, 14)	Same as series 27. (p. 8, 16)	Same as series 27 and 34. (p. 8, 16)
8	**Early redemption following an event of default under the notes**	Events of default are explained on p. 60-61.	Events of default are explained on p. 70-71.	The Issuer will have to redeem the notes early, at less than their principal amount, if there was an event of default under the notes. Investors are referred to the PP for further details regarding events of default. (p. 9, 14 of IP, p. 42 of PP)	Same as series 27. (p. 9, 16 of IP, p. 43 of PP)	Same as series 27 and 34. (p. 9, 16 of IP, p. 43 of PP)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
9	**Early redemption if collateral becomes repayable or is repaid early**	The notes shall be early redeemed by the Issuer if the underlying securities become capable of being declared repayable prior to the maturity date or there is a payment default thereunder (p. 9, 54)	Same as series 1 first tranche. (p. 10, 64)	The Issuer will have to redeem the notes early, at less than their principal amount, if there was a default on (or other unexpected early repayment of) the collateral which backs the notes. (p. 9, 14)	Same as series 27 (P. 9, 16)	Same as series 27 and 34 (P. 9, 16)
10	**Early redemption if the Cayman Islands imposes taxes on the Issuer or the notes**	P. 9	P. 10	P. 9, 14	P. 9, 16	P. 9, 16
11	**Early redemption if swap arrangements are terminated (due to e.g. certain insolvency-related events)**	The notes shall be early redeemed by the Issuer if the swap agreement is terminated in whole for any reason. (p. 9, 21)	Same as first tranche. (p. 10, 31)	The Issuer will have to redeem the notes early, at less than their principal amount, if the swap arrangements were terminated early. (p. 9, 14, 20). The circumstances under which the swap agreement will be terminated early (including insolvency-	Same as series 27. (p. 9, 16, 21-22)	Same as series 27 and 34. (p. 9, 16, 21-22)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
				related events suffered by LBSF or LBHI) are set out on p. 19-20 of the IP.		
12	**Decline in collateral value and early redemption amount could be much less than investment amount**	Investors were exposed to risks relating to the liquidity of the underlying securities (p. 24).	Same as first tranche. (p. 34)	If the Issuer has to redeem the notes early, it will have to cancel the swap arrangements and sell the collateral for the notes in order to make the redemption. Investors will only get back, as the early redemption amount, their share of the proceeds of sale of the collateral, which may be worth less than its principal amount, less any amounts which the Issuer may owe to the swap counterparty because of the early termination of the swap arrangements. It is likely that the early redemption amount will be less and could be significantly less than the principal amount of	Same as series 27. (p. 16, 17)	Same as series 27 and 34. (p. 16, 17)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
				the notes. (p. 14, 15)		
13	**Early redemption due to CDO collateral writedown**	N/A – underlying securities do not include CDOs.	N/A – underlying securities do not include CDOs.	The notes will be redeemed early if the principal amount of the collateral is reduced in accordance with its terms. The amount the Issuer will be able to pay back on the notes will likely be less, and could be significantly less, than the principal amount of the notes. It is possible that investors could lose all their investment. (p. 14)	Same as series 27. (p. 16)	Same as series 27 and 34. (p. 16)
14	**No liquid secondary market and low sell-back value / Investors should be prepared to hold the notes to maturity**	P. 22	P. 32	P. 4, 15	Same as series 27. (p. 5, 18) The IP also states that the inclusion in the original issue price and/or the other terms of the notes of distributors' commissions and the cost, including counterparties' profits, of the Issuer's hedging,	Same as series 34. (p. 5, 15, 18)

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	Disclosure	**Series 1, tranche 1 (April 2002)**	**Series 1, tranche 2 (July 2002)**	**Series 27 (August 2006)**	**Series 34 (November 2007)**	**Series 35 (January 2008)**
					together with other transaction costs, is likely to be reflected in lower secondary market prices for the notes. (p. 13)	
15	**Potential conflict of interest arising out of Lehman Brothers' other activities**	-	-	P. 18 of PP	P. 19 of PP	P. 19 of PP
16	**Collateral information would not be known when investors purchased the notes and that they would have to rely on the selection criteria – collateral information was put on display**	The prospectus contains a description of the terms and conditions of the underlying securities, and the guarantee in respect thereof, extracted without amendment from the underlying securities offering circular. (Appendix II)	The prospectus contains a description of the terms and conditions of the underlying securities, and the guarantee in respect thereof, extracted without amendment from the underlying securities offering circular. (Appendix II)	The Issuer will not select the collateral until shortly before the issue date of the notes; investors will therefore have to rely on the criteria which the collateral must meet in reaching their decision on whether to buy the notes: when they make their decision they will not know exactly what the collateral will be. (p.15) The collateral will be	The Issuer will not select the collateral until shortly before the issue date of the notes, at the earliest; investors will therefore have to rely on the criteria which the collateral must meet in reaching their decision on whether to buy the notes: when they make their decision they will not know exactly what the collateral will be. (p. 17) The collateral will be	Same as series 34. (p. 17-21)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
				AAA-rated (and not subject to negative watch or review for possible downgrade) on the issue date of the notes. The credit rating of the collateral could, however, change after the issue date if, in the opinion of the credit rating agency, the credit quality of the collateral declines. (p. 15) The IP also states that the principal amount of the collateral will be equal to the total principal amount of the notes and the collateral must have a maximum maturity not later than the maturity date of the notes (p. 17, 18) The value of the collateral, in the event that the Issuer has to sell it in the market on an early redemption of the notes or if the Issuer	AAA-rated (and not subject to negative watch or review for possible downgrade) on its purchase date. The credit rating of the collateral could, however, change after its purchase date if, in the opinion of the credit rating agency, the credit quality of the collateral declines. (p. 17) If the collateral is purchased shortly after the issue date or if the collateral matures before the notes, the issue proceeds of the notes or the redemption monies received (as the case may be) will either be held in cash or invested in liquidity funds as security for the notes. (p. 17) The IP also states that the principal amount of the collateral will be	

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
				delivers it to LBSF following a credit event, could be less than its principal amount if the credit quality of the collateral has declined since the issue date of the notes or if there is no liquid market in which to sell the collateral. A loss in value of the collateral in these circumstances would be borne by the investors. (p. 15) Information about the collateral, including evidence of the rating and their terms and conditions, would be made available as one of the display documents (p. 18)	equal to the total principal amount of the notes and the collateral must have a maximum maturity not later than the maturity date of the notes (p. 19, 20) The market value of the collateral will depend on its liquidity. No assurance can be given that a secondary market for any CDO comprised in the collateral will exist or if it does exist will provide sufficient liquidity for the sale thereof. The lack of liquidity may adversely affect the market value of the collateral and, in turn, the performance of the notes. The Issuer can give investors no assurance as to whether the market value of the collateral in respect of the notes will be above or below par. (p. 17)	

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	Disclosure	**Series 1, tranche 1 (April 2002)**	**Series 1, tranche 2 (July 2002)**	**Series 27 (August 2006)**	**Series 34 (November 2007)**	**Series 35 (January 2008)**
					The value of the collateral, in the event that the Issuer has to sell it in the market on an early redemption of the notes or if the Issuer delivers it to LBSF following a credit event, may be less, and could be significantly less, than its principal amount if the credit quality of the collateral has declined since its purchase date or if there is no liquid market in which to sell the collateral. A loss in value of the collateral in these circumstances would be borne by the investors. (p. 17-18) Information about the collateral, including evidence of the rating and their terms and conditions, would be made available as one of the display	

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
					documents (p. 21)	
17	**Collateral would comprise CDOs**	N/A – underlying securities were notes guaranteed by Hutchison Whampoa Limited	N/A – underlying securities were notes guaranteed by Hutchison Whampoa Limited	Collateral for the notes will be AAA-rated collateralised debt obligation securities ("CDOs").The CDOs will be linked to a portfolio of international credits. (p. 4) The IP further states that repayment in full of the principal of the notes at maturity will be dependent upon the redemption in full of the CDOs and as such the CDOs are a significant component of the risk and return profile of the notes. The collateral will be US dollar denominated. Payments by the swap counterparty will be guaranteed by LBHI. as swap guarantor. (p. 4)	Same as series 27. (p. 4). The IP also states that the CDOs will not be asset-backed securities CDOs and that the CDOs will not be linked to asset-backed or mortgaged-backed securities. (p. 4)	Same as series 34. (p. 4)

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	Disclosure	Series 1, tranche 1 (April 2002)	Series 1, tranche 2 (July 2002)	Series 27 (August 2006)	Series 34 (November 2007)	Series 35 (January 2008)
18	**Information about the swap arrangements**	The swap arrangement involves a cross-currency swap and an interest rate swap. A description of the swap agreement and the swap guarantee is set out on p. 36-38 of the prospectus.	Similar to first tranche, there is a description of the swap agreement and the swap guarantee on p. 46-48 of the prospectus.	The swap arrangements involve an interest rate and/or currency swap and a credit default swap. The IP also explains how the swap arrangements work, and in what circumstances the swap agreement may be terminated. (p. 18-20)	Same as series 27 (p. 20-23)	Same as series 27 and 34. (p. 20-22)
19	**Issuer's undertaking to give notice of information relating to itself to avoid establishment of a false market or which might reasonably be expected significantly to affect its ability to meet its obligations under the notes**	The Issuer has undertaken in the supplemental trust deed to keep the noteholders informed as soon as reasonably practicable of any information relating to the Issuer and/or LBHI as swap guarantor which is necessary to avoid the establishment of a false market in the notes and/or which might reasonably be expected significantly to affect its ability to meet its commitment under the notes. The swap	Same as first tranche. (p. 99)	The Issuer will give notice of any information relating to it (or, if it is aware of it, about LBHI) which is necessary to avoid the establishment of a false market in the notes or which might reasonably be expected significantly to affect its ability to meet its commitments under the notes. (p. 21)	The Issuer will give notice of any information relating to it (or, if it is aware of it, about LBHI) which is necessary to avoid the establishment of a false market in the notes or which might reasonably be expected significantly to affect its ability to meet its commitments under the notes or the ability of LBHI to meet its obligations under the swap guarantee. (p. 24)	Same as series 34. (p. 24)

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	Disclosure	**Series 1, tranche 1 (April 2002)**	**Series 1, tranche 2 (July 2002)**	**Series 27 (August 2006)**	**Series 34 (November 2007)**	**Series 35 (January 2008)**
		counterparty will undertake in the supplemental trust deed to notify the Issuer of any such information as soon as reasonably practicable. (p. 86)				