FORM 424B2

Prospectus filed pursuant to Rule 424(b)(2)

Filing Date: **1994-04-11**
SEC Accession No. 0000915373-94-000015

(HTML Version on secdatabase.com)

FILER

LEHMAN BROTHERS HOLDINGS INC

CIK:**806085**| IRS No.: **133216325** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **424B2** | Act: **33** | File No.: **033-49062** | Film No.: **94522225**
SIC: **6211** Security brokers, dealers & flotation companies

Mailing Address	Business Address
AMERICAN EXPRESS TOWER	*AMERICAN EXPRESS TWR*
WORLD FINANCIAL CENTER	*3 WORLD FINANCIAL CNTR*
ATTN GEN COUNSEL	*NEW YORK NY 10048*
NEW YORK NY 10283	*2122982000*

Rule 424(b)(2)
Registration No. 33-49062
NASD File No: 920701003

SECOND AMENDED PRICING SUPPLEMENT NO. 126B

Dated April 7, 1994, to Prospectus
Supplement dated July 19, 1993 and
Prospectus dated May 27, 1993.

LEHMAN BROTHERS HOLDINGS INC.

Medium-Term Notes, Series D
(Floating Rate)

Due from Nine Months to 30 Years from Date of Issue

Price to Public: 100%
Agent's Commission: 0%*
Interest Rate Basis: Initial Interest Rate: see attached

( ) Treasury Rate	Original Issue Date: 7/30/93
( ) LIBOR - 3 month	Maturity Date: 8/7/95
( ) Commercial Paper Rate	Maximum Interest Rate:_____%
( ) Federal Funds Effective Rate	Minimum Interest Rate:_____%
( ) Prime Rate	Spread Multiplier: _____%
(X) Other (see below)	Spread (+ -) ___________

Index Maturity: not applicable
Interest Payment Period: see attached
monthly, quarterly or semi-annually
Interest Reset Dates: see attached
Interest Determination Dates: see attached
Interest Payment Dates: see attached

The aggregate principal amount of this offering is $25,000,000 and relates only to pricing Supplement No. 126B.

THE NOTE OFFERED HEREBY MAY NOT BE OFFERED OR SOLD TO, OR PURCHASED BY OR FOR THE ACCOUNT OF, ANY PERSON OTHER THAN A SOPHISTICATED INSTITUTIONAL INVESTOR THAT REGULARLY ENGAGES IN THE PURCHASE OF SECURITIES THE PRINCIPAL AND/OR INTEREST OF WHICH IS BASED UPON AN INDEX OF SECURITIES.

* The Agent will not receive any commission from Lehman Brothers Inc. or otherwise for facilitating the placement of the Note. The Agent is receiving a fee from an affiliated entity which is entering into a related transaction in connection with the issuance of the Note.

I. General

Capitalized terms used herein are defined below or in the Prospectus Supplement dated July 19, 1993 or the Prospectus dated May 27, 1993, of which this Pricing Supplement forms a part.

Interest

Interest on an Index Note in respect of an Interest Payment Period (as defined below) will be payable in arrears on the fifth Business Day of the month following the last day of such Interest Payment Period (each such day, an "Interest Payment Date"), beginning September 8, 1993. Interest on an Index Note will accrue from and including the first calendar day of each month to but excluding the first calendar day of the immediately following month (each such period, an "Interest Payment Period"); provided, however, that the first Interest Payment Period shall commence on (and include) July 30, 1993 and shall end on (and include) August 31, 1993.

The amount of interest to be paid on an Index Note on any Interest Payment Date (except the Maturity Date) will be equal to the greater of (i) the sum of (a) the amount determined by multiplying the principal amount of an Index Note by the Total Return for the relevant Interest Payment Period plus (b) any relevant Coupon Value and (ii) zero; provided, however, that, for purposes of calculating the amount of interest to be paid on an Index Note on the initial Interest Payment Date, the product of an adjusted London-Interbank Offered Rate for deposits in U.S. dollars for six calendar days determined through the use of straight line interpolation by reference to available rates for the next shorter and next longer periods of time multiplied by 6/360 shall be added to the amount calculated in (i) above.

Maturity Amount

The amount payable at Maturity in respect of the final Interest Payment Period and the principal amount of the Index Notes (the "Maturity Amount") will be the amount determined by multiplying (i) the principal amount of the Index Notes by (ii) the amount determined by deducting .31% from the Final Total Return. The "Final Total Return" will be the sum of the Final Index Returns for each of the components in the Bond Selection in effect for the final Interest Payment Period. The "Final Index

Return" for each such Bond will be determined based on the following formula:

$$SW \times [(BP2/ABP1) \times (FX1/FX2)]$$

Where

SW = the Selection Weight

BP2 = The Bond Price as of the last Business Day of the final Interest Payment Period

ABP1 = the Adjusted Bond Price as of the last Business Day of the prior Interest Payment Period

FX1 = the Bond Currency/U.S. dollar exchange rate (in units of currency per one U.S. dollar) for value the Maturity Date as of 4:00 p.m. London time on the last Business Day of the Interest Payment Period preceding the final Interest Payment Period

FX2 = the Bond Currency/U.S. dollar exchange rate (in units of currency per one U.S. dollar) for value the Maturity Date as of 4:00 p.m. London time on the last day of the final Interest Payment Period

The "Final Index Return" in respect of the LIBOR Index shall be the "Index Return" for a LIBOR Index Selection as set forth below.

The Maturity Amount will be payable on August 7, 1995, or, if such date is not a Business Day, on the next succeeding Business Day.

CERTAIN DEFINITIONS

"Adjusted Bond Price" as of any day and in respect of any Bond will be as follows: In respect of the first Interest Payment Period, the Adjusted Bond Price of any Bond will equal the Bond Price of that Bond as of the first Business Day of that Interest Payment Period. Thereafter, the Adjusted Bond Price will be determined as follows:

(a) If the Aggregate Bond Selection for that Interest Payment Period is the same as the Aggregate Bond Selection for the immediately preceding Interest Payment Period, the Adjusted Bond Price of any Bond will be the Bond Price of that Bond as calculated on the last Business Day of the immediately preceding Interest Payment Period for which an interest payment was made on the Index Notes, and, if an interest payment has not been made, the Bond Price as of the first Business Day of the initial Interest Payment Period;

(b) If the Aggregate Bond Selection for that Interest Payment Period is different (by virtue of the addition of, deletion from or other change in a Bond Selection or by a change in the Selection Weights of a Bond Selection) from the Aggregate Bond Selection for the immediately preceding Interest Payment Period and an interest payment was made on the Index Notes in respect of that immediately preceding Interest Payment Period, the Adjusted Bond Price of any Bond will be the Bond Price of that Bond determined as of the last Business Day of the immediately preceding Interest Payment Period; or

(c) If the Aggregate Bond Selection for that Interest Payment Period is different (either by virtue of the addition of, deletion from or other change in a Bond Selection or by a change in the Selection Weights of a Bond Selection) from the Aggregate Bond Selection for the immediately preceding Interest Payment Period and an interest payment was not made on the Index Notes in respect of that immediately preceding Interest Payment Period, the Adjusted Bond Price of any Bond in the new aggregate Selection will be calculated based on the following formula:

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        Total Return for the       Bond Price of that
[1/(1 + immediately preceding )] x Bond determined as of
        Interest Payment Period    the last Business Day
                                   of the immediately
                                   preceding Interest
                                   Payment Period
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"Aggregate Bond Selection" is the composition of the total allocation of the principal amount of the Index Notes, inclusive of each Bond Selection and its Selection Weight.

"Bond" or "Bonds" means up to four of the following (which in each case shall be limited to the most recently issued Bonds (known as "on the run") in the category selected) as determined in accordance with a Bond Selection:

Treasury bonds with an initial maturity of ten years issued by the Commonwealth of Australia ("Australian Bonds").

Bonds with an initial maturity of ten years issued by the Canadian Federal Government ("Canadian Bonds").

Obligations Assimilable du Tresor or other bonds with an initial maturity of ten years issued by the Treasury of France ("French Bonds").

Bundesanleihen or other bonds with an initial maturity of ten years issued by the Federal Republic of Germany ("German Bonds").

Bonds with an initial maturity of ten years issued by the Government of Japan ("Japanese Bonds").

Gilts or other bonds with an initial maturity of fifteen years issued by the Treasury Department of the United Kingdom ("U.K. Bonds").

Bonds with an initial maturity of thirty years issued by the United States Treasury Department ("U.S. Bonds").

"Bond Currency" means, in respect of a Bond, the lawful currency of the country that issued the Bond.

"Bond Price" as of any date and in respect of any Bond, means the sum of the price of that Bond plus accrued interest to, but excluding, the fifth Business Day following that date.

"Bond Selection" means, in respect of any Interest Payment Period, each of (i) the Bonds (up to four) and, if applicable (ii) the LIBOR Index, as designated by the Noteholder, and in such proportion, as designated by the Noteholder in a Bond Notice.

"Business Day" means any day which is not a Saturday, a Sunday or a public holiday or a day on which banks in the city of New York and London are authorized or directed to be closed.

"Coupon Value", in respect of a Bond in the Bond Selection that has paid interest during an Interest Payment Period means, the amount calculated in accordance with the following formula:

$$[(CR \times SW \times NRA) \times ((\text{Currency LIBOR} \times \text{Day Count Ratio}) + 1)] / FXR$$

Where

CR = the coupon rate of interest paid on that Bond (which in the case of a Bond which pays interest on a semi-annual basis will be divided by two

SW = the Selection Weight of that Bond in respect of such Bond Selection

NRA = the principal amount of the Index Note multiplied by a hypothetical Final Total Return determined as if the last Business Day of the prior Interest Payment Period had been the Maturity Date. (In determining such amount, the deduction of .31% in determining the Maturity Amount will not be taken into account).

Currency LIBOR = the London Interbank Offered Rate for deposits in the Bond Currency for a period equal to the actual number of days from (and including) the date of payment of the amount in question to (and excluding) the next Interest Payment Date, determined on the second Business Day in London prior to such Bond's payment date, which appears on Telerate Page 3750 as of 11:00 a.m., London time, on such date.

Day Count Ratio = the actual number of days from (and including) the date of payment of the amount in question to (and excluding) the next Interest Payment Date divided by 360.

FXR = the Bond Currency/U.S. dollar exchange rate (in units of currency per one U.S. dollar) as of 4:00 p.m., London time as of the last Business Day in the Interest Period for value the fifth Business Day following such determination.

"Index Return" for an Interest Payment Period (except for the final Interest Payment Period) will be determined for each Bond Selection (other than for the LIBOR Index Selection) based on the following formula:

$$SW \times [(BP2/ABP1 \times FX1/FX2) - 1]$$

Where

SW = the Selection Weight of that Bond

BP2 = the Bond Price of that Bond as of the last Business Day of the Interest Payment Period for which such determination is being made

ABP1 = the Adjusted Bond Price as of the last Business Day of the prior Interest Payment Period

FX1 = the Bond Currency/U.S. dollar exchange rate (in units of currency per one U.S. dollar) for value five Business Days following the day of such determination as of 4:00 p.m. London time on the last Business Day of the prior Interest Payment Period

FX2 = the Bond Currency/U.S. dollar exchange rate (in units of currency per one U.S. dollar) for value five Business Days following the day of such determination as of 4:00 p.m. London time on the last day of the Interest Payment Period for which the determination is being made

"Index Return" for an Interest Payment Period (except the final Interest Payment Period) for a LIBOR Index Selection will be determined as the product of (i) its Selection Weight and (ii) LIBOR for the Interest Payment Period, times (iii) a fraction, the numerator of which is the actual number of days in the Interest Payment Period, and the denominator of which is 360.

"LIBOR" in respect of the LIBOR Index for the forthcoming Interest Payment Period means, the rate determined on the basis of the offered rates for deposits in U.S. Dollars for a period of one month which appear on Telerate Page 3750 as of 11:00 a.m., London time, on the last Business Day in the current Interest Payment Period, and will be determined for value the fifth Business Day following its determination.

"LIBOR Index" means a return based on LIBOR.

"Selection Weight" means, in respect of a Bond or a LIBOR Index a proportion of the principal amount of the Index Notes expressed as a percentage in whole numbers (and between 0% and 100%), and in respect of such a Bond or LIBOR Index selected by the Noteholder by means of the notification procedure set forth below under "Notification of Bond Selection; Calculations".

"Total Return" in respect of any Interest Payment Period (except for the final Interest Payment Period) will equal the sum of the Index Returns for each Bond and, if applicable, for the LIBOR Index reflected in the Bond Selection for such

Interest Payment Period.

NOTIFICATION OF BOND SELECTION; CALCULATIONS

A Bond Selection will be designated in a notice (the "Bond Notice") (which may be given orally (including by telephone) or in writing (including by telecopier)) given by the Noteholder to Lehman Brothers Special Financing Inc. (the "Calculation Agent") at 200 Vesey Street, 12th Floor, New York, New York 10285, attention of: Structured Bond Group (Telecopier (212) 528-6139; telephone (212) 640-9605) not later than 12 noon, New York time, on the day that is three Business Days preceding the commencement of the relevant Interest Payment Period. In the Bond Notice the Noteholder must specify (i) the Bond or Bonds that will be included in the Aggregate Bond Selection for the related Interest Payment Period, (ii) the LIBOR Index if the Noteholder wishes to include the LIBOR Index in the Aggregate Bond Selection and (iii) the Selection Weight of each Bond Selection. All oral Bond Notices must be confirmed to the Calculation Agent in writing not later than the close of business on the date such oral Bond Notice is first given. If the holder of the Index Notes fails to provide a timely Bond Notice, the Bond Selection with respect to an Interest Payment Period shall be the Bond Selection most recently selected by the Noteholder for the prior Interest Payment Period.

The Calculation Agent will determine the Bond Prices based on the prices obtained by it from Lehman Brothers International (Europe); the Calculation Agent will also determine the exchange rates necessary to certain calculations, and will make each calculation and determination contemplated by the Index Notes; such calculations and determinations will be binding in the absence of manifest error.

The Noteholder is not permitted to select any Australian Bond, Japanese Bond or U.K. Bond with respect to an Interest Payment Period if, during such Interest Payment Period, the issuer thereof is scheduled to make any payment in respect of interest on the principal of such bond or other amount on such Bond.

If the Selection Weight results in a fractional number of Bonds, the number of Bonds used for purposes of any calculation contained herein shall be reduced to the nearest whole number of Bonds, and the difference shall be deemed to be a Bond Selection using the LIBOR Index.

The minimum denomination of the Index Notes will be $25,000,000.

II. OTHER CONSIDERATIONS

Risks Associated with Payments of Interest on the Index Notes and the Maturity Amount

Pursuant to the formula employed in determining the amount of interest payable in respect of an Interest Payment Period, an investor in the Index Notes may receive no payment in respect of interest for one or more Interest Payment Periods.

Pursuant to the formula employed in determining the Maturity Amount, an investor in the Index Notes may receive a payment in respect of the Maturity Amount that is less than par. Such formula does not ensure any minimum payment in respect of the Maturity Amount.

INFORMATION REGARDING THE BONDS

Investors are advised to conduct their own research and review of publicly available information regarding the Bonds and the performance of the Bonds.

INFORMATION REGARDING THE AGENT

The Agent will not receive any commission from Lehman Brothers Holdings Inc. for facilitating the placement of the Index Note. The Agent is receiving a fee from an affiliated entity which is entering into a related transaction in connection with the issuance of the Index Note.

SUPPLEMENTAL UNITED STATES
FEDERAL INCOME TAX DISCLOSURE

The following summary describes certain United States federal income tax consequences of the ownership of Index Notes as of the date hereof and is a supplement to the discussion of United States Taxation found in the Prospectus and Prospectus Supplement to which this Pricing Supplement is attached. Except where noted, its deals only with Index Notes held as capital assets and does not deal with special situations, such as those of dealers in securities, financial institutions, life insurance companies or purchasers holding Index Notes as a part of a hedging transaction or a position in a "straddle" for tax purposes. Furthermore, the discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and regulations, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked or modified so as to result in federal income tax consequences different from those discussed below. Persons considering the purchase, ownership or disposition of Index Notes should consult their own tax advisors concerning the federal income tax consequences in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

As used herein, a "United States Holder" of an Index Note means a holder that is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof, or an estate or trust the income of which is subject to United States federal income taxation regardless of its source. A "Non-United States Holder" is a holder that is not a United States Holder.

GENERAL

There are no regulations, cases or rulings directly addressing the treatment of securities similar to the Index Notes other than the Proposed Regulations discussed below. Although not entirely free from doubt, the Company believes on the basis of current law and the treatment given the Index Notes under the Proposed Regulations, that the Index Notes should be treated as debt of the Company for federal income tax purposes. The Company intends to treat the Index Notes as debt for federal income tax purposes. Section 1936(a) of the Energy Policy Act of 1992, as codified in Internal Revenue Code Section 385(c), effective for instruments issued after October 24, 1992, provides that the characterization as of the time of issuance of an instrument as either debt or equity by the issuer of the instrument shall be binding on all holders of the instrument but is not necessarily binding on the Secretary of the Treasury. Except as provided in regulations to be issued, a holder of the Index Note will not be bound by the characterization of the Index Notes as debt by the Company, if the holder discloses on its tax return that it is treating the Index Notes in a manner inconsistent with the characterization of the Index Notes as debt.

Proposed original issue discount regulations were originally issued by the Treasury Department on April 8, 1986 and were amended on February 28, 1991 (the "Proposed Regulations"). These regulations, if adopted in their current form, would require that payments under the Index Note, all of which are contingent, be treated, in certain instances, as a partial payment of interest and a partial repayment of principal. On January 19, 1993, the IRS released proposed regulations for publication in the Federal Register (the "Release") which would have withdrawn the Proposed Regulations to the extent relating to contingent payment debt instruments, but prior to publication in the Federal Register, the proposed regulations contained in the Release were withheld from publication pending review by the Clinton Administration. The regulations contained in the Release would require interest accruals to reflect either a market yield for the debt instrument as of the issue date or a reasonable estimate of the performance of contingencies in the tax year. The amount of interest deemed to accrue in a taxable year pursuant to such methods, however, must be recognized regardless of whether the contingent payment becomes fixed in such year.

It is uncertain whether or when, or in what form, the Release will be published in the Federal Register and what effect, if any, it will have on the Index Notes. Furthermore, there can be no assurance that the final Treasury Regulations relating to contingent payment debt instruments similar to the Index Notes will not differ materially from the Proposed Regulations. Accordingly, the ultimate federal income tax treatment of the Index Notes may differ substantially from that described below.

UNITED STATES HOLDERS

The following is a summary of the principal United States federal income tax consequences of the ownership of Index Notes by United States Holders.

Under the Proposed Regulations, the Index Note will be treated as a debt instrument that provides for contingent payments, and that fails to provide for total noncontingent payments at least equal to the issue price of the debt instrument. The issue price of the Index Note will be its stated principal amount.

All payments due under the Index Note will be treated as contingent payments. In the taxable year in which the amount of each monthly contingent payment (the "Coupon Payment") becomes fixed (excluding the final payment at maturity), the holder of the Index Note must include in its gross income that portion of the payment treated as interest deemed accrued under the Proposed Regulations. The excess of the amount of a Coupon Payment, if any (excluding the final payment at maturity), over the interest deemed accrued for the current and all prior accrual periods must be treated as a repayment of principal, and will reduce the holder's basis in the Index Note. Interest deemed accrued is calculated for each monthly accrual period. For the first accrual period, the interest deemed accrued will be equal to the product of the issue price of the Index Note and the Applicable Federal Rate, determined on issue date to be 3.88 percent, compounded monthly. For each subsequent accrual period (excluding the final accrual period ending on the maturity date) the issue price will be the sum of the issue price at the beginning of the immediately preceding accrual period and the interest deemed accrued during that period, less the total amount of all payments due during the immediately preceding accrual period. The interest deemed accrued for each subsequent accrual period will equal the product of this adjusted issue price and the Applicable Federal Rate determined on issue date.

At maturity, the holder will compare the total amount paid at maturity under the terms of the Index Note (including the amount of the Coupon Payment component of the final payment, if any) with the outstanding principal balance of the Index Note at maturity (reduced by the amount, if any, of the excess of Coupon Payment over interest deemed accrued for any prior monthly accrual period). To the extent that the amount paid at maturity exceeds the outstanding principal balance of the Index Note, the holder will treat the excess as interest income includable in gross income by the holder. To the extent that the outstanding principal balance of the Index Note exceeds the final payment at maturity, the holder will recognize capital loss, deductible currently in the case of a corporate holder to the extent of capital gains, and in the case of a holder other than a corporation, to the extent of capital gains plus the lower of $3,000 or the excess of capital losses over capital gains.

Because the holder may select a new Index prior to the start of any Calculation Period throughout the term of the Index Note, which selection will affect the holder's yield under the Index Note as well as the Maturity Amount, the Internal Revenue Service could argue that each selection of a new Index will constitute a material modification of the terms of the Index Note and a deemed taxable exchange. In this instance the holder would recognize gain or loss equal to the difference between its basis in the "old note" and the issue price of the "new note." It is unlikely, however, that the Internal Revenue Service would, first, take such a position, and second, prevail in such position, if taken. While there is no law directly addressing the issue of whether a unilateral change in selection of an index such as that provided for under the terms of the Index Note by a holder of such a note would constitute a material modification of the note, an analysis of existing law and Proposed Regulations issued by the Internal Revenue Service relating to modifications of debt instruments (effective for modifications made on or after the date that is 30 days after publication of the final regulations in the Federal Register) strongly support the conclusion that a unilateral alteration in the payment terms of a debt instrument by a holder of the instrument that occurs by operation of the original terms of the instrument will not be considered a modification of the instrument.

BACKUP WITHHOLDING AND INFORMATION REPORTING

In general, information reporting requirements will apply to certain payments of principal and interest made to United States Holders of Index Notes other than certain exempt recipients (such as corporations). For information reporting purposes, the Company will treat the Proposed Regulations as if they were currently in effect. Consequently, interest deemed accrued, to the extent paid, as well as gross proceeds on the disposition of the Index Note will be reported to the IRS and to United States Holders who are not exempt recipients. A 31 percent backup withholding tax will apply to such payments if the United States Holder fails to provide a taxpayer identification number or certify other exempt status or fails to report in full dividend and interest income.

NON-UNITED STATES HOLDER

For the U.S. taxation treatment of the Index Notes for non-United States holders, see the description under "United States Taxation" in the Prospectus and Prospectus Supplement to which the Pricing Supplement is attached.