From: Lukas, Katherine [CMB-GBKG] [0000129179@citigroup.com]
Sent: Friday, June 13, 2008 8:57 AM
To: Faber, Reto [CMB-GBKG]
Subject: FW: Lehman DOL

Attachments: Lehman DOL (63.7 KB)

<<Lehman DOL>>
You can also speak with Seamus Kennedy and Shane Cottrel in Dublin re the CLS NPL Line - facility numbers attached
> ______________________________
> From: Anemone, Andrew A [CMB-RISK]
> Sent: Friday, May 02, 2008 1:39 PM
> To: Kennedy, Seamus [CMB-GTS]; Lukas, Katherine [CMB-GBKG];
> Deukmedjian, Chris [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Dehaan,
> Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS]; Mauerstein, Michael
> [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services; Salariya, Paul [CMB-GBKG]; Faber,
> Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS]; Hodgson, Matt
> [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
> Ok, I will increase the line back to $3.0bn today.
>
> ______________________________
> From: Kennedy, Seamus [CMB-GTS]
> Sent: Friday, May 02, 2008 1:37 PM
> To: Anemone, Andrew A [CMB-RISK]; Lukas, Katherine [CMB-GBKG];
> Deukmedjian, Chris [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Dehaan,
> Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS]; Mauerstein, Michael
> [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services; Salariya, Paul [CMB-GBKG]; Faber,
> Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS]; Hodgson, Matt
> [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
> Nothing is required now, but we generally use between 200 - 600 MMM
> every day.
>
> Thanks
>
> Seamus
>
> -----Original Message-----
> From: Anemone, Andrew A [CMB-RISK]
> Sent: 02 May 2008 18:35
> To: Kennedy, Seamus [CMB-GTS]; Lukas, Katherine [CMB-GBKG];
> Deukmedjian, Chris [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Dehaan,
> Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS]; Mauerstein, Michael
> [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services; Salariya, Paul [CMB-GBKG]; Faber,
> Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS]; Hodgson, Matt
> [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
> How much excess approval is required.
>
> ______________________________
> From: Kennedy, Seamus [CMB-GTS]
> Sent: Friday, May 02, 2008 1:33 PM
> To: Anemone, Andrew A [CMB-RISK]; Lukas, Katherine [CMB-GBKG];
> Deukmedjian, Chris [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Dehaan,
> Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS]; Mauerstein, Michael
> [CMB-GBKG]

> Cc: *OP DUB Citibank CLS Services; Salariya, Paul [CMB-GBKG]; Faber,
> Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS]; Hodgson, Matt
> [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
> Andrew,
>
> Given the classification, can I apply pre approved excess?
>
> Thanks
>
> Seamus
>
> -----Original Message-----
> From: Anemone, Andrew A [CMB-RISK]
> Sent: 02 May 2008 18:27
> To: Lukas, Katherine [CMB-GBKG]; Kennedy, Seamus [CMB-GTS];
> Deukmedjian, Chris [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Dehaan,
> Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS]; Mauerstein, Michael
> [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services; Salariya, Paul
> [CMB-GBKG]; Faber, Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS];
> Hodgson, Matt [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
> Per our discussion, I will find excess capacity to restore this
> limit.
>
> Andrew
>
> ____
> From: Lukas, Katherine [CMB-GBKG]
> Sent: Friday, May 02, 2008 11:55 AM
> To: Kennedy, Seamus [CMB-GTS]; Deukmedjian, Chris
> [CMB-GBKG]; Anemone, Andrew A [CMB-RISK]; Torres, Melissa J
> [CMB-RISK]; Dehaan, Peter [CMB-GTS]; Mwangi, Catherine [CMB-GTS];
> Mauerstein, Michael [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services; Salariya, Paul
> [CMB-GBKG]; Faber, Reto [CMB-GBKG]; Concepcion, Maria E [CMB-CRMS];
> Hodgson, Matt [CMB-GTS]; Devlin, Catherine [CMB-GTS]
> Subject: RE: Lehman DOL
>
>
> Dear Andrew and Melissa,
>
> Based on the below we have a potential serious issue with Lehman
> Brothers.
>
> From what we can see the CLS NPL line (for the "vitrual CLS
> accounts") has been reduced from $3BN to $1.8BN as of April 30.
>
> No notification of this change was given to the team and no request
> for validation of whether this reduction was in line with the business
> was requested prior to the reduction.
>
> After the issue that was experienced this week with Lehman on the
> Clearing Lines being removed from the Nostro accounts and the fallout
> that this occurred this reduction has the potential to cause
> additional negative impact to the Lehman relationship.
>
> Based on Lehman's CLS activity we need to maintain the $3BN line if
> possible. Currently they utilize the full line and previously had
> been going over on a regular basis. After several discussions on the

> operational flows Lehman is now working through actions available to
> them to manage to this size so that there are no delays in payments
> that can have potential impact on their business outside of CLS.
>
> Can you please advise:
> 1) Why this line was reduced? Was this an error?
> 2) Can this line be reinstated to the full $3bn level?
>
> Thank you for your help and for understanding the urgency of the
> situation.
>
> Kind regards,
> Kate
> ____
> From: Kennedy, Seamus [CMB-GTS]
> Sent: Friday, May 02, 2008 11:23 AM
> To: Deukmedjian, Chris [CMB-GBKG]; Lukas, Katherine
> [CMB-GBKG]
> Cc: *OP DUB Citibank CLS Services
> Subject: Lehman DOL
>
>
>
>
> Hi Chris,
>
> AS per attached DOC, is Lehman's DOL reduced to 1.8MMM USD from 3MMM
> USD?
> Also, there classification has been changed to 1A, as such, can CLS
> no longer apply pre approved access?
>
> Thanks,
>
> Seamus
> Citi CLS << File: lehman dol.doc >>