

From: Foskett, Christopher M [CMB-GBKG] [0000109147@citigroup.com]
Sent: Wednesday, September 10, 2008 3:35 AM
To: Egan, Paul [CMB-GTS]; Heidinger, Peter [CMB-GBKG]
Subject: Re: Lehman Credit Emergency

Yes, as long as we don't have total net exposure that exceeds our \$2B deposit. How large are the FX trades and what is the settlement timing ? Can u track line usage ?

Sent from my BlackBerry Wireless Handheld

----- Original Message -----

From: Egan, Paul [CMB-GTS]
To: Foskett, Christopher M [CMB-GBKG]; Heidinger, Peter [CMB-GBKG]
Sent: Wed Sep 10 03:19:59 2008
Subject: RE: Lehman Credit Emergency

Short to us...we paid out JPY and they will pay back in USD - hence we have 1bn left I believe.

tell me - in terms of FX trading understand Leach wants us to continue that, is this the case? As we are getting traders from everywhere calling up for approvals

-----Original Message-----

From: Foskett, Christopher M [CMB-GBKG]
Sent: Wednesday, September 10, 2008 3:03 PM
To: Egan, Paul [CMB-GTS]; Heidinger, Peter [CMB-GBKG]
Subject: Re: Lehman Credit Emergency

How is their CLS/payment flow ? Did the large Yen/\$ payment get done and repaid ?? Are they long or short to us ?

Sent from my BlackBerry Wireless Handheld

----- Original Message -----

From: Egan, Paul [CMB-GTS]
To: Foskett, Christopher M [CMB-GBKG]; Heidinger, Peter [CMB-GBKG]
Sent: Wed Sep 10 02:57:37 2008
Subject: RE: Lehman Credit Emergency

That was a frustration message - I spoke subsequently with Obermaeier and things are now a lot better in terms of comms

-----Original Message-----

From: Foskett, Christopher M [CMB-GBKG]
Sent: Wednesday, September 10, 2008 2:54 PM
To: Heidinger, Peter [CMB-GBKG]; Egan, Paul [CMB-GTS]
Subject: Re: Lehman Credit Emergency

We all know that Asia is first line and we had you guys in mind right away. GTS was in charge of managing down the clearing risk - the Corp Bank team was involved throughout, while negotiating further collateral with client. We are also in discussions with the company on a capital raise transaction.

Asia was front and center as first line - believe me.

Sent from my BlackBerry Wireless Handheld

----- Original Message -----

From: Heidinger, Peter [CMB-GBKG]
To: Egan, Paul [CMB-GTS]; Foskett, Christopher M [CMB-GBKG]
Sent: Tue Sep 09 21:03:30 2008
Subject: Re: Lehman Credit Emergency

Think the main point still applies.

----- Original Message -----

From: Egan, Paul [CMB-GTS]
To: Heidinger, Peter [CMB-GBKG]; Foskett, Christopher M [CMB-GBKG]
Sent: Wed Sep 10 09:02:39 2008
Subject: Re: Lehman Credit Emergency

Cancel that...finally got a call from Tom O

----- Original Message -----

From: Egan, Paul [CMB-GTS]
To: Heidinger, Peter [CMB-GBKG]; Foskett, Christopher M [CMB-GBKG]
Sent: Wed Sep 10 08:54:24 2008
Subject: Fw: Lehman Credit Emergency

This just isn't working well.

Communication out of NY is extremely haphazard (as it was previously). By now you would think that someone would have the decency to call me on Lehman from NY....be it Obermaier, Fontana, Mauerstein...but they don't.
Hell of a way to manage relationships...

----- Original Message -----

From: Fontana, Thomas [CMB-RISK]
To: Egan, Paul [CMB-GTS]; Mauerstein, Michael [CMB-GBKG]; Isaac, Tom [CMB-GTS]; Heidinger, Peter [CMB-GBKG]; Obermaier, Thomas [CMB-GTS]
Cc: Ong, Kathy EI [CMB-GTS]
Sent: Wed Sep 10 08:47:35 2008
Subject: RE: Lehman Credit Emergency

You were suppose to receive a debrief from Tom Obermaier.

Tom,

Do you want to have a call?

Best regards,

Tom

Global Financial Institutions
Risk Management

Office: (212) 816-4986
Cell: (908) 577-2039
Home: (908) 665-0694

-----Original Message-----

From: Egan, Paul [CMB-GTS]
Sent: Tuesday, September 09, 2008 8:45 PM
To: Mauerstein, Michael [CMB-GBKG]; Fontana, Thomas [CMB-RISK]; Isaac, Tom [CMB-GTS]; Heidinger, Peter [CMB-GBKG]
Cc: Ong, Kathy EI [CMB-GTS]
Subject: Fw: Lehman Credit Emergency

Any guidance from NY coverage/risk?

Question is do we have collateral...if so how much (still USD2bn?).
Have liquidity impact concerns...
Please advise

----- Original Message -----

From: Nappi, Anthony J [CMB-GTS]
To: Satchithanandan, S [CMB-GTS]; Egan, Paul [CMB-GTS]
Cc: Kanthadai, Sridhar [CMB-GTS]; Anderson, Ian C [CMB-RISK]
Sent: Wed Sep 10 07:45:00 2008
Subject: RE: Lehman Credit Emergency

also in japan...we will move to 750mm

-----Original Message-----

From: Satchithanandan, S [CMB-GTS]
Sent: Wednesday, September 10, 2008 7:41 AM
To: Egan, Paul [CMB-GTS]
Cc: Nappi, Anthony J [CMB-GTS]; Kanthadai, Sridhar [CMB-GTS]; Anderson, Ian C [CMB-RISK]
Subject: Lehman Credit Emergency

Paul,
Had a call from Tom Obermaier to say that a decision has been made to take down Lehman Clearing lines to zero immediately - except in Australia where some transactions are clearing now, but will be taken down to zero.

I understand Ian Anderson in IRM is involved.

Could you please call me ASAP so that we can ensure everyone is on the same page. Many thanks.

Lines affected are roughly:

Australia	\$270MM
Japan	\$1,870
Singapore	\$140
Indonesia	\$50
Taiwan	\$85
India	\$15MM

satchi