

From: Obermaier, Thomas [CMB-GTS] [TO32895@imcnam.ssmb.com]  
Sent: Friday, September 12, 2008 7:10 AM  
To: Galant, Paul S [CMB-GTS]  
Subject: Re:

Leh,  
Our position is down 200 in asia net. Covered by our set off structure and awaiting cover from ny. Europe is flat at this moment. Next crunch time is around 10 when nect cls outflow is due. We finished 2 bn long is us yesterday. Discussions are underway. Two options being driven by fed - bofa, hsbc (leh preference) and barclays in auction for pieces, or prepackaged bankruptcy. No agreement on who gets what for what price. Long weekend ahead but time is not on anyone's side.

Mer  
Was down another 20 percent yesterday and weakness overnight and in early morning. Still looks solid, but time to move on our plan. We will remove the committed dol today and ask for parent guaranty. Not an unexpected development from client end. We will also lay groundwork for incoming deposit as we explained to havens.

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Sent from my BlackBerry Wireless Handheld

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

From: Galant, Paul S [CMB-GTS]  
To: Obermaier, Thomas [CMB-GTS]  
Sent: Fri Sep 12 05:50:47 2008  
Subject:

What is status / news on LEH. MER?