

From: Ryan, Patrick [CMB-RISK] [PR44360@imcnam.ssmb.com]
Sent: Friday, March 14, 2008 2:05 PM
To: Matrullo, Elena T [CMB-RISK]
Subject: RE: Bear

OK yes, you can respond to John T from both of us. Thx.

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

From: Matrullo, Elena T [CMB-RISK]
Sent: Friday, March 14, 2008 1:56 PM
To: Ryan, Patrick [CMB-RISK]
Subject: RE: Bear

Pat,
Bear's intraday balance is \$900MM plus the \$300MM that Bear had Borrowed yesterday which they owe us. We have reduced the remaining DOL to 250MM so we will not be short versus our collateral. However, the collateral resides at the Hold Co, the DOLs are at Opcos. The team is on the phone with Treasurer now looking for the collateral instructions. Lehman should be added and will be. I can forward John the entire list(let me know).
Regards,
Elena

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

From: Ryan, Patrick [CMB-RISK]
Sent: Friday, March 14, 2008 1:40 PM
To: Matrullo, Elena T [CMB-RISK]
Subject: FW: Bear

Elena, John Trohan is the new Treasurer of CMB, taking Scott Freidenrich's job. Note his questions below. The answer to waiting until collateral is in-house on Bear is yes, but how does the \$1.5bn deposit we have factor into how we are answering this question John has.

On Lehman, what are we hearing today in the market? Should we elevate Leh to the watch list?

Should we give john the whole watch list we have?

Thx.

Pat

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

From: Trohan, John [CMB-FIN]
Sent: Friday, March 14, 2008 1:21 PM
To: Handsman, Mark [CMB-FIN]; Ryan, Patrick [CMB-RISK]; Verron, Cliff [CMB-FIN]
Subject: RE: Bear

I think we should be monitoring all payments / receipts with Bear.

Pat: Should wait to pay until collateral is received when reviewing trades/payments with Bear.

Are there any other firms that should be on the watch list? - Lehman?

Regards,

John

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

From: Handsman, Mark [CMB-FIN]
Sent: Friday, March 14, 2008 1:13 PM
To: Trohan, John [CMB-FIN]
Subject: Bear

Should we be doing anything special on the payment side to be able to stop or monitor payments? We did not have that capability previously but I've instructed IT to put a change in. They have come up with a solution which they are testing, though I don't want to implement on an emergency basis unless it is necessary. We can thoroughly test over the next couple

of business days if you think that we have that luxury. Regards.