

From: Tonucci, Paolo [paolo.tonucci@lehman.com]. Sent: 8/14/2008 8:13 PM.
To: Jones, Craig L [cljones@lehman.com]; Azerad, Robert [RAzerad@lehman.com].
Cc: Fleming, Dan (TSY) [dfleming@lehman.com].
Bcc: .
Subject: RE: Update.

Ok. Thanks for the update

>
> _____
> From: Jones, Craig L
> Sent: 14 August 2008 20:03
> To: Tonucci, Paolo; Azerad, Robert
> Cc: Fleming, Dan (TSY)
> Subject: Update
>
> Paolo - just a quick update on a few issues:
> - Mark Doctoroff called from Singapore to apologize for the issues
> raised when Chase requested the continuing lien acknowledging he was
> well aware it was only intended to be an intraday lien. He stated if
> he weren't in Singapore it probably would not have happened.
>
> - Chase still has not provided any documentation for the intraday
> lien. I mentioned to Mark that I would have expected this would be a
> simple agreement. He indicated it was a simple letter agreement but
> mentioned it would reference three various agreements including a
> guaranty. I mentioned that it sounds more involved than a simple
> letter agreement and they should at least provide a draft to make sure
> we are in conceptual agreement. He stated the plan was to get the
> documentation to us by Friday or Monday.
>
> - Intraday margin - we went to 100% intraday margin charge against our
> NFE today without any issue. Total intraday margin is ~\$5bn.
>
> - LBI liquidity is down ~\$250MM for the day. This is largely the
> result of returning funds sent in error yesterday and reversal of some
> DTC liquidity we picked up yesterday.
>
> Craig
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