

From: Feraca, John [joferaca@lehman.com]. Sent:6/20/2008 7:24 AM.  
To: Jones, Craig L [cljones@lehman.com].  
Cc: .  
Bcc: .  
Subject: Re: NFE.

Craig  
How are these now funded? Cash capital or Liquidity Pool investment? Or are we repoing them out somewhere?  
JF

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

From: Jones, Craig L  
To: Feraca, John; Servidio, Lawrence P  
Sent: Thu Jun 19 18:04:02 2008  
Subject: NFE

Fyi - Today we moved several unencumbered assets (Sasco, Freedom, Spruce, Pine, Fenway) to LCPI's DTC box at Chase to generate an additional \$5.4bn of NFE. This will help us absorb the increase in the intraday margining that Chase wants to implement. This could also be a good source of additional intraday liquidity.

Craig

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From: Jones, Craig L  
Sent: Thursday, June 19, 2008 5:37 PM  
To: Fleming, Dan (TSY); Palchynsky, John N; Hraska, James W; Zedlovich, Paul; Policke, Ricky; Steffens, Ed; Duffy, Maureen B; Abary, Raymond  
Cc: Coletta, Kristen; Rejas, Janice  
Subject: FW: LCD

The collateral pledges have been completed to Chase and we can see the NFE increased by ~\$5.4bn.  
Thanks for your help.  
Craig

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From: Abary, Raymond  
Sent: Thursday, June 19, 2008 5:32 PM  
To: Jones, Craig L  
Subject: LCD

<<Picture (Device Independent Bitmap)>>