

From: Pellerani, Carlo [carlo.pellerani@lehman.com] Sent: 8/27/2008 12:01 PM
 To: Tonucci, Paolo [paolo.tonucci@lehman.com]
 Cc:
 Bcc:
 Subject: IMPORTANT - HSBC

Huw just spoke to HSBC who apparently will be sending us an e-mail shortly saying that we need to give them ~\$1bn of deposit by Friday with a legal right to set-off, non-negotiable, or they will not settle for us... They are worried about the Labour day w/e...

I think we need ASAP:

- Ian to talk to Flint
- Inform FSA
- Inform FED and SEC
- Find out if legally we can stop them from doing this

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> From: Tonucci, Paolo
 > Sent: 27 August 2008 16:50
 > To: Pellerani, Carlo
 > Subject: RE: HSBC

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> He did - he was going to call this week. Will try and get to him to see if this was done.

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> From: Pellerani, Carlo
 > Sent: 27 August 2008 11:22
 > To: Tonucci, Paolo
 > Subject: FW: HSBC

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> Did Michael return your call? Did he do this?

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> From: Lowitt, Ian T
 > Sent: 27 August 2008 16:21
 > To: Pellerani, Carlo
 > Subject: RE: HSBC

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> Not yet. Has Tory spoken to him. Lets have a briefing call and then I will follow up with Douglas. Ian

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> From: Pellerani, Carlo
 > Sent: Wednesday, August 27, 2008 11:14 AM
 > To: Lowitt, Ian T; Tonucci, Paolo
 > Subject: RE: HSBC

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> Ian, did you ever speak to Flint? Thx

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> From: Pellerani, Carlo
 > Sent: 22 August 2008 15:02
 > To: Lowitt, Ian T; Tonucci, Paolo
 > Cc: Isaacs, Jeremy
 > Subject: HSBC

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- > Spoke to Jeremy, he thinks you Ian should call Doug Flint first and
- > after that if needed he can call either CEO or Chairman. Also
- > suggested we are clear on what we want from them. I suggest:
- > - Explanation of what is it that they are trying to achieve (mitigate
- > temporarily, efficiency, or exit of relationship)
- > - Work with us to identify impact of any line they want to cut before
- > cutting them
- > - Clearly differentiate between unsecured lines and settlement lines
- > - Overall give us more time
- >
- > Carlo
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