

From: Pellerani, Carlo [carlo.pellerani@lehman.com] Sent: 9/11/2008 3:12 PM  
 To: Lowitt, Ian T [ilowitt@lehman.com]; Tonucci, Paolo [paolo.tonucci@lehman.com]  
 Cc:  
 Bcc:  
 Subject: RE: Is it worth trying to get HSBC to accept collateral in lieu of cash to cover the 960 or would that set off alarm bells? Ian

I think the report has mixed LBIE and LBI. Last night LBIE had

- \$1.6bn of proper box
- \$1.5bn of additional good quality lock-ups
- \$1.9bn of Prime broker dry powder lock-up
- \$2.3bn pending from LBI (payment for PB unwinds)

We could pledge some of the good lock-ups but that will only marginally improve the position for us (from cash to good quality). What I am trying to do is to give them other stuff with plenty of overcollateralisation. Let's see where I end up.

>  
 > From: Lowitt, Ian T  
 > Sent: 11 September 2008 19:21  
 > To: Pellerani, Carlo; Tonucci, Paolo  
 > Subject: RE: Is it worth trying to get HSBC to accept collateral  
 > in lieu of cash to cover the 960 or would that set off alarm bells?  
 > Ian  
 >  
 > Per Roberts report we have 8.7 bn of LBIE boxed assets. What are  
 > those, and why can't something in there be pledged? Ian  
 >  
 >  
 > From: Pellerani, Carlo  
 > Sent: Thursday, September 11, 2008 2:19 PM  
 > To: Pellerani, Carlo; Lowitt, Ian T; Tonucci, Paolo  
 > Subject: RE: Is it worth trying to get HSBC to accept collateral  
 > in lieu of cash to cover the 960 or would that set off alarm bells?  
 > Ian  
 >  
 > Spoke to HSBC, they will have a think. Related they asked me 'what  
 > would trigger us drawing our revolver and how would the market take  
 > it'....  
 >  
 >  
 > From: Pellerani, Carlo  
 > Sent: 11 September 2008 14:39  
 > To: Lowitt, Ian T; Tonucci, Paolo  
 > Subject: RE: Is it worth trying to get HSBC to accept collateral  
 > in lieu of cash to cover the 960 or would that set off alarm bells?  
 > Ian  
 >  
 > I'll give them a call as I had already mentioned this to them  
 > initially. I will refer back to that and tell him that it is otherwise  
 > costly. Problem of course is what securities...  
 >  
 >  
 > From: Lowitt, Ian T  
 > Sent: 11 September 2008 14:36  
 > To: Pellerani, Carlo; Tonucci, Paolo  
 > Subject: Is it worth trying to get HSBC to accept collateral in  
 > lieu of cash to cover the 960 or would that set off alarm bells? Ian  
 >  
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