

From: Russo, Thomas A [trusso1@lehman.com].

Sent: 7/17/2008 12:53 PM.

To: terrence.checki@ny.frb.org [terrence.checki@ny.frb.org].

Cc: .

Bcc: .

Subject: Fw: Lehman CDS.

Fyi. This sent to SEC. What is in some people's heads? Tom

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

From: Beth Rudofker

To: Israel Friedman

To: 'Shulers@sec.gov'

To: 'karpatib@sec.gov'

Cc: Bari Jane Wolfe

Cc: Thomas A. Russo

Sent: Jul 17, 2008 11:51 AM

Subject: Lehman CDS

Wanted to pass on some information from our credit trading business management who were surprised that Lehman CDS didn't tighten more yesterday. Deutsche Bank have been buying large amounts (about 500mm) of protection over the past few weeks. As previously mentioned, we have also heard they have been shorting the stock.

In addition, the business has heard it is Boaz Weinstein's position (runs credit at DB) and that he has been vocal with accounts about promoting the position.

Regards,
Beth

Sent from my BlackBerry Handheld.

LBEX-AM 057718