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Subject: Detailed Rating Agency Presentation outline
Attach: S&P Presentation Outline.ppt

Team:

Here is a rough outline for the presentations that we are planning to make to the rating agencies starting next week. FP&A is still working on a number of the graphs and charts but I think we have most of the data that we need for them. I want to thank everyone for all of the help in providing us with the data we required.

I think this outline gives a good idea of the flow and message we are trying to convey. Basically we are making the argument that our creditworthiness (i.e., our A1/A3 credit rating) is predicated on 4 key factors:

- 1) strong client franchise that can generate sustainable future earnings stream
- 2) Strong capital base
- 3) Strong liquidity framework
- 4) Strong risk management program that is reducing risk

When explaining what happened in Q2, we also address the impact of the "defensive positions" that we treat as "macro hedges" as well as the lack of hedge effectiveness. What we want to convey is that both of these negative hits to our revenues were driven by the unexpected divergence between cash and derivatives markets and that the agencies should view them in the same light (i.e., as idiosyncratic events that are unlikely to be repeated in the future).

We also want to convince the agencies that we have been proactive in dealing with the issues facing us and that this allows us to be well-positioned to take advantage of the inevitable upswing in the markets (hopefully in 2009).

Please take a look at the outline and give us any comments that you may have regarding flow and message. FP&A should have most of the charts and graphs done by the end of today or early tomorrow and we will send around an updated version with them at that time.

Chris and Jeff, we would also love to get your thoughts on what additional pages we might want to include in the Risk section.

Regards,

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