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**To:** Fuld, Dick [lbexec1@lehman.com] <Error -2147221233>  
**Subject:**

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Just tried to call you for a catch up. No ans. Sounds like Jesse and Kunho are making progress. If ES is made chairman of KDB we are in with a real shot of something happening. I also had an interesting call from Luqman Arnold over the weekend. He now owns about 3% of UBS. Interestingly he is on very good terms with the management. They and LA. still think the best option for them is some sort of combination with us. Their timetable is the next six months. I said we were very open to any thoughts they may have. I mentioned that we had a bunch of options that we were looking at, and that there was a great deal of interest in us at the moment. In my fantasy world we do a deal with the Koreans which buys us a bunch of time. Then either do a deal with AIG or UBS. On our terms.....One thought I had being the cynic I am. We need to make sure being associated with Hank doesn't in some way prevent us from doing a deal with AIG. The politics of that situation must be very complex..

I will call you tomorrow

Jeremy.

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