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Sent: Saturday, July 12, 2008 1:31 PM (GMT)
To: Fuld, Dick [lbexec1@lehman.com] <Error -2147221233>
Subject:

Tried calling you, and left message. I agree remaining independent as BHC could be good answer, however only if it is accompanied by announcement on Mon that we are selling Asset Mgmt and some other assets (MBS) and recovering several billion dollars in excess of the equity we had assigned to those assets, which we will use to start a massive stock buy back, which in substance (not fact) privatizes the Bros. Then if Korea wants to buy in next week, we can sell them from treasury.

Both of these actions need to happen together.

Before, we announce this we should see if HSBC has bid for whole thing at 25-if they do then we should consider that option as well.

Wanted you to have my view.

Dave

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LBHI_SEC07940_036502