

From: Weiss, Jeffrey L [jweiss@lehman.com].

Sent: 8/9/2008 12:00 PM.

To: Wieseneck, Larry [lwiesene@lehman.com]; McGee III, Hugh E [hmcgee@lehman.com].

Cc: .

Bcc: .

Subject: RE: 90 minute call.

No, I think Bart had some interest in ideas around possible two step to spin co, with self help today that was executable (cvs) as a lead to spin co. Thought being raising equity now may be easier that way. At the end, judgment was to stay the course as you highlighted. Thoughts around sounding out some of the people who have reached out to us that want to buy clean co. If Marsico for example will buy into the current plan, I think we have our answer.

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

From: Wieseneck, Larry

Sent: Saturday, August 09, 2008 11:46 AM

To: McGee III, Hugh E

Cc: Weiss, Jeffrey L

Subject: 90 minute call

Gary Parr was saying CVS (his idea) was better than spin co

After discussing the economic benefits (tax shield at corporate) and potential timing, it was a concensus that the firm does not have enough credibility to have the CVS or tracker as the answer

If we can't do spin co it would be a fall back but that we would be accused of financial engineering if we rolled out tracker now.

Dick ended by saying go full speed ahead on Spin Co with an attempt to ring fence real estate from now until spin.

Real issue is how much equity do we need to sell by Sept 15 and do we need some mezz pre-placed so that equity buyers believe we can get spin co done.

Russo, Ian, Goldfarb, Bart, Dick, Jeff and Les Gorman all on the call.

Jeff - did I miss anything

Larry

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