

From: Ratanghayra, Amberish [aratangh@lehman.com].

Sent:6/3/2008 2:42 PM.

To: Tonucci, Paolo [paolo.tonucci@lehman.com].

Cc: Boyle, Julie [julie.boyle@lehman.com].

Bcc: .

Subject: Downgrade effect.

Paolo

Please see attached as requested. We have updates for all except the following Non-Japan Asia Facilities - Citi, Metrobank, ANZ, Hua Nan (Asia will provide this overnight).

<<Downgrade effect June 2008.xls>>

Main conclusion in regards to large cash capital facilities is that there should be no immediate effects. See summary below

\* LBHI flagship has price vs. rating triggers but we remain at current pricing unless also downgraded by Moody's. LBCB revolvers from Nordea and BMO have the same price vs. rating effects as LBHI. LBBAG flagship has no such triggers

\* No rating effects on Swedbank and Danske

\* Dresdner rating effects are in regards to collateralization requirements which apply after downgrade to A- or A3

\* MetLife rating effects apply after downgrade to Baa1 (Moody's) or BBB+ (S&P) or BBB+ (Fitch) - i.e. MetLife has the option to put the Notes back to us

\* Confirming rating effects on State Street (awaiting feedback from Transactions Management Group)

\* Three Japanese facilities (SMBC, Aozora, Chuo Mitsui) had notice requirement upon downgrade. This has already been done

We will send you a final updated report after receiving feedback from Asia and Transactions Management per summary above

> Regards

> Amberish

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> From: Tonucci, Paolo

> Sent: Tuesday, June 03, 2008 8:27 AM

> To: Boyle, Julie

> Cc: Ratanghayra, Amberish

> Subject: RE: Downgrade effect

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> Can you pull together a table of price (or other) changes.

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> From: Boyle, Julie

> Sent: 03 June 2008 08:26

> To: Tonucci, Paolo

> Cc: Ratanghayra, Amberish

> Subject: RE: Downgrade effect

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> It does. The holdings facility does have a clause, the Bankhaus

> facility does not. Amberish is checking on Dresdner and other

> unsecured facilities.

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> From: Tonucci, Paolo

> Sent: Tuesday, June 03, 2008 7:25 AM

> To: Boyle, Julie

> Cc: Ratanghayra, Amberish

> Subject: Downgrade effect

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> How does this affect pricing on facilities?

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> I assume spreads increase in number of facilities.