

From: Tonucci, Paolo [paolo.tonucci@lehman.com] Sent: 9/20/2008 5:20 PM.
To: Fleming, Dan (TSY) [dfleming@lehman.com]; Azerad, Robert [RAzerad@lehman.com]; Kelly, Martin [martin.kelly@lehman.com]; Blackwell, Alastair [ablackwe@lehman.com]; Beldner, Brett [brett.beldner@lehman.com].
Cc: Stewart, Marie [marie.stewart@lehman.com]; Reilly, Gerard [greilly@lehman.com]; Veksler, Irina [irina.veksler@lehman.com].
Bcc: .
Subject: RE: Opening balance sheet.

Dan, can you provide a contact at Wells. Mike Macciaroli has agreed to release and there is a letter to provide to them.

Paolo

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

From: Fleming, Dan (TSY)
Sent: 20 September 2008 17:01
To: Tonucci, Paolo; Azerad, Robert; Kelly, Martin; Blackwell, Alastair; Beldner, Brett
Cc: Stewart, Marie; Reilly, Gerard; Veksler, Irina
Subject: RE: Opening balance sheet

Below is a summary of securities in lock-up at JPM for 15c3 EBOC and PAIB. We also have \$1bn in a MMDA (money market demand account) with Wells Fargo for EBOC. Wells was unwilling to release cash to us on Thursday due to the SIPIC announcement so we will need Legal help to move that cash. Not sure how we are going to move the securities at JPM.

EBOC - Total of \$1.763bn; \$1bn of cash at Wells plus \$763,451,613.19 of securities (mkt value) at JPM PAIB - Total of \$492,707,260.65 all in securities (mkt value) at JPM

Dan

CUSTOMER I.D.: LW7 / LEHMAN BROTHERS INC (EBOC)

TOTALS TOTAL POSITION BOOK POSITION MARKET VAL
COUPON VAL

BILLS 0 0
NOTES 0 0
BONDS 226,813,000 226,813,000 312,266,586.32
2,629,239.65
TRSY 308,622,000 308,622,000 451,185,026.87
4,043,601.32

CUSTOMER I.D.: LWA / LEHMAN BROS/15C3-3 - PAIB

TOTALS TOTAL POSITION BOOK POSITION MARKET VALUE
COUPON VALUE

GNMA 577,248,671 577,248,671 492,707,260.65
1,333,864.41

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

From: Tonucci, Paolo
Sent: Saturday, September 20, 2008 10:31 AM
To: Azerad, Robert; Kelly, Martin; Blackwell, Alastair; Beldner, Brett
Cc: Stewart, Marie; Reilly, Gerard; Veksler, Irina; Fleming, Dan (TSY)
Subject: RE: Opening balance sheet

We also need to add the 15c3 cash as a receivable.

Dan,

The collateral that was locked up for 15c3 needs to be transferred over the Barclays. How is that done? Has that already been moved with the customer collateral?

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

From: Azerad, Robert
Sent: 20 September 2008 10:27
To: Kelly, Martin; Blackwell, Alastair; Beldner, Brett
Cc: Stewart, Marie; Reilly, Gerard; Tonucci, Paolo; Veksler, Irina
Subject: RE: Opening balance sheet

Classification of the assets by asset class should be done by EOD today assuming that what was transferred was:

- 1) Repo with Barclays as of Thursday night (\$49 billion - \$42 billion of securities and \$7 billion of cash)
- 2) Non-actionable box as shown to Barclays on Friday afternoon (\$1.9 billion of collateral). Actual box is slightly bigger because it also contains Lehman debt

Robert

PS: Prices will be per the repo file sent by Ops on Friday morning and per the box report as of Friday morning.

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

From: Kelly, Martin
Sent: Saturday, September 20, 2008 9:36 AM
To: Azerad, Robert; Blackwell, Alastair; Beldner, Brett
Cc: Stewart, Marie; Reilly, Gerard; Tonucci, Paolo
Subject: Opening balance sheet

Barclays (James Walker) called this am. They want an "opening balance sheet" today. 3 pieces to this. (1) Robert - do you have the final list of assets under the repo which they took possession of - need by gaap asset class versus the financing. Could you please assemble in a file which can be sent direct back to barclays (2) did we end up transferring the shorts and related reverse repo? If so, Robert/Alistair who has that list, were tickets booked for this etc.same as above need a list to be emailed back (3) Brett - could you please update the summary BS once we have this information later in the day.

I think we need to deliver back to narclays the simple BS together with inventory list and possibly shorts/reverses depending on what was done with this. Robert - could you please compile and coordinate with brett around BS.

Please give me ETA so I can update James at Barclays.

Thx - M

