

From: Janet E. Truncale
Sent: Sunday, September 14, 2008 3:06 PM (GMT)
To: William Schlich
Subject: Re: Update

Do you need any help today? I have my nieces b-day party 2-4 but can come in after? And am reachable if you need anything all day???

From: William Schlich
Sent: 09/14/2008 08:24 AM EDT
To: Carmine DiSibio; Kevin Reilly
Subject: Update

As of 2 am last night when we all left there was no deal. After looking at the numbers and the proposed structure I don't think it can get done unless something drastic changes. The buyer's expectations and the resulting need of financing from the street are too high. At 12 PM they were preparing memos for the employees to not come to work Monday unless they are "essential employees". I learned last night that almost 40 billion of liquidity moved away on Friday.

This may all be a very large game of chicken, but from what I have seen getting a deal done without tremendous concessions on all sides will be difficult. I will be in our office by 9:30.

Bill

Ernst & Young