

From: Nicholas J TAYLOR
Sent: Sunday, September 14, 2008 3:05 PM
To: Martin NICHOLSON; Christine COE
Cc: Patricia GOMES; Paul Lopez; Paul SILVESTER
Subject: Re: Milan

We need to leave ourself the option to close this and everything. Next Gulliver call at 9pm. Hopeful but not confident of clarity by then. Will deal with this specifically.

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

From: Martin NICHOLSON
Sent: 09/14/2008 07:55 PM GDT
To: Christine COE
Cc: Nicholas J TAYLOR; Patricia GOMES; Paul Lopez; Paul SILVESTER
Subject: Re: Milan

Presume we also keep unsecured crest open ? - we do have cash colleteral for that

Regards,

Martin Nicholson
Director | Global Financial Institutions Group
HSBC Bank plc
Level 19, 8 Canada Square, London, E14 5HQ

Phone. +44 207 991 2750
Fax. +44 207 991 4898
Mobile. +44 7920 542 526
Internet. <http://www.hsbc.com>

Christine COE/HBEU/HSBC
14/09/2008 19:16
Mail Size: 9938

To
Patricia GOMES/IBH CIB/HBAP/HSBC@HSBC
cc
Martin NICHOLSON/HBEU/HSBC@HSBC, Nicholas J TAYLOR/HBUS/HSBC@HSBC02, Paul Lopez/HBUS/HSBC@HSBC02, Paul SILVESTER/IBH CIB/HBAP/HSBC@HSBC, Theron G WILLIAMS/TCMR ASP/HBAP/HSBC@HSBC
Subject
Re: Milan
Entity
HSBC Bank plc - HBEU

Mine too I just want to be certain as I need to cover all Cnc just in case there is any local arrangement we are not aware of

Chris

HSBC Bank plc
Registered Office: 8 Canada Square, London E14 5HQ
Registered in England - Number 14259
Authorised and regulated by the Financial Services Authority

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

From: Patricia GOMES
Sent: 15/09/2008 02:13 ZE8
To: Christine COE
Cc: Martin NICHOLSON; Nicholas J TAYLOR/HBUS/HSBC@HSBC02; Paul Lopez/HBUS/HSBC@HSBC02; Paul SILVESTER; Theron G WILLIAMS
Subject: Re: Milan

My understanding is the pre-fund guidance stil stands.
It is only withholding payment (trading settlement basically) for existing trades which are being settled in the next few days that is being discussed unless i am missing something?

Patricia Gomes
Director, Financial Institutions Group, Asia-Pacific
Global Banking
HSBC
Level 18, 1 Queen's Road Central, Hong Kong
Tel. +852 2822 3538
Fax +852 2522 9485
patriciagomes@hsbc.com

Christine COE/HBEU/HSBC
15 Sep 2008 02:11 Mail Size: 4226

To
Nicholas J TAYLOR/HBUS/HSBC@HSBC02, Patricia GOMES/IBH CIB/HBAP/HSBC@HSBC,
Martin NICHOLSON/HBEU/HSBC@HSBC
cc
Paul Lopez/HBUS/HSBC@HSBC02, Paul SILVESTER/IBH CIB/HBAP/HSBC@HSBC, Theron G

WILLIAMS/TCMR ASP/HBAP/HSBC@HSBC

Subject

Re: Milan

Our Ref

Your Ref

Nick What should I do about CnC I have not yet sent the note to prefund

Chris

HSBC Bank plc
Registered Office: 8 Canada Square, London E14 5HQ
Registered in England - Number 14259
Authorised and regulated by the Financial Services Authority

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

From: Nicholas J TAYLOR
Sent: 14/09/2008 13:08 CDT
To: Patricia GOMES; Martin NICHOLSON; Christine COE
Cc: Paul Lopez; Paul SILVESTER; Theron G WILLIAMS
Subject: Milan

Consensus of call is that right now, we must be very careful in not making payments. Martin, your note cc-ing John Flint was referenced.

We need to ensure that NOSTRO mgmt is on notice to withhold (or more correctly, manually process) but does not withhold until they have clear and explicit notification.

We can't afford to be seen as the guys creating a problem when Asia opens.

Your note could be misconstrued in this respect.

A further call at 4pm EST. Situation very fluid. Possible bankruptcy. Appears Barclays has walked.

I will update after this.

Patricia. Suggest you sleep for a few hours but be ready to act before ASP open. Call me whenever you want.