

Patricia GOMES/IBH  
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09/12/2008 06:23 PM

To "Nicholas J TAYLOR" <nicholastaylor@hsbc.com>  
cc  
bcc  
Subject Trouble brewing... Part 2

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The Hongkong and Shanghai Banking Corporation Limited  
whose registered address is 1 Queen's Road Central, Hong Kong  
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Patricia GOMES  
----- Original Message -----

**From:** Patricia GOMES  
**Sent:** 09/13/2008 05:57 AM ZE8  
**To:** Eddie C H CHING  
**Cc:** Wan Thonh CHOW; Ed M FLANDERS  
**Subject:** Re: Milan

Eddie,

This has been done and we have guidance but the situation is extremely fluid and can change at any point over the weekend therefore I will not issue anything before Monday Japan open. Australia not an issue as no exposure there for Lehman. Only issue for Japan and Singapore is that if no CSA executed for LBI by open of play (and I am in constant mobile telecom with CDU London) then they will have to stop trading. Same for HK and LBI and LBF. That is the only additional guidance so far on terms of new instructions. Countries that have exposure I have been speaking to the respective RMs through and again updated all on our Asian securities houses call today.

The situation is extremely fluid and I am in constant communication with London, NY and the Counterparty default working group. I believe Rhydian knows I am coordinating this as I briefed him this morning during the abnormal activity meeting and I further asked him to sign our Cash Deed document which was executed at 6pm and secures all cat A and PSL of HK and India.  
. I think the best thing is that you point any questions you get in my direction over the next few days as given the moving pace of this situation and the times of calls, etc, I am finding it very difficult to balance being on top of the situation with keeping all fully aware 100% of occurrences, 100% of time.  
P.

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The Hongkong and Shanghai Banking Corporation Limited  
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Eddie C H CHING  
----- Original Message -----

**From:** Eddie C H CHING  
**Sent:** 09/13/2008 01:47 AM ZE8  
**To:** Patricia GOMES  
**Cc:** Wan Thonh CHOW; Ed M FLANDERS  
**Subject:** Milan

Patricia

Rhydian called me late afternoon saying we must have sought HBUS guidance on our strategy over the weekend and issue clear instructions to countries where we have cash and trade dealings with subject before their open on Monday, while HK is closed, Japan and Australia in particular given they are ahead of us.

Pls keep me in loop in case I receive queries so I can respond too.

Regards

Eddie