

From: Killerlane, James J <james.killerlane@lehman.com>
Sent: Friday, August 22, 2008 4:13 PM
To: Aronson, Jeffrey - Communication of Counsel (Exchange)
<Jeffrey.Aronson@jpmorgan.com>, Yeung, Andrew <andrew.yeung@lehman.com>
Cc: Wasserman, Peter J <Peter.J.Wasserman@chase.com>
Subject: RE: Security Agreement

Jeff,

Before we sent comments, I wanted to touch base with you on my message that I left you earlier this afternoon. In a review of the Clearance Agreement, Andrew and I learned that it already contains a Lien section (Section 11). Within the agreement, a Lien is granted over all accounts maintained by LBI with JPMorgan Chase Bank, N.A. Adding the additional Lehman entities to the Clearance Agreement will also subject the accounts they maintain with JPMorgan to the same Lien. Given this, what would be the need for a Security Agreement? Perhaps I have missed something or don't fully understand the deal, but wouldn't it be redundant?

Feel free to call or e-mail me to discuss.

Jim

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From: Aronson, Jeffrey - Communication of Counsel (Exchange) [mailto:Jeffrey.Aronson@jpmorgan.com]
Sent: Friday, August 22, 2008 4:07 PM
To: Yeung, Andrew
Cc: Killerlane, James J; Wasserman, Peter J
Subject: Security Agreement

Andrew: Are you sending comments on the Security Agreement?

Thanks,
Jeff

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