



To: David A. Weisbrod/JPMCHASE@JPMCHASE
cc: Diane Eshleman/JPMCHASE@JPMCHASE, Mark G
Doctoroff/JPMCHASE@JPMCHASE1, Ricardo S.
Chiavenato/JPMCHASE@JPMCHASE
Subject: Re: Value of \$5bn LEH collateral

Ed
Corral@JPMCHASE

09/03/2008 10:29 AM

Quick update. Lehman currently has 4 securities in their excess collateral box with collateral value of \$6.2 billion. One is a CP for approximately \$3 billion and we are OK with that value. The other three are ABS'. We had a price from Gifford Fong on two of them. One, Lehman has priced at par (100) and GF has it priced at approximately 50 (decreases the collateral value of this piece by approximately \$500 million). The second one Lehman has priced at approximately 63 and GF has it at approximately 39 (collateral value decreases by \$335 million). The third one we did not have a GF price on (Lehman has it at par for \$1.3 billion. I have requested a refresh of the two prices from GF and a price for the third. Based on past performance, they will be back to me today.

I'll let you all know when I have the new information.

EC.

☛ David A. Weisbrod/JPMCHASE

David A. Weisbrod/JPMCHASE
09/02/2008 06:49 PM

Ed Corral/JPMCHASE@JPMCHASE
To
Diane Eshleman/JPMCHASE@JPMCHASE, Ricardo
cc: S. Chiavenato/JPMCHASE@JPMCHASE1, Mark G
Doctoroff/JPMCHASE@JPMCHASE1
Value of \$5bn LEH collateral
Subject

Ed

In talking with Barry Zubrow this afternoon, he asked if we had determined via Gifford Fong a valuation for the \$5bn in collateral that LEH have posted with us. I thought we had an "informal" valuation, but was not aware whether you had obtained a formal price from GF. In light of the lunch that Barry, Susan and Mark will be attending with LEH on Thursday, I think it would be a good idea to convey to Barry the GF valuation number, if it is available. If not, would it be possible to "hire" GF exclusively to value the \$5bn. and/or at a minimum to convey to Barry the informal valuation number you may have obtained via discussions with GF.

Many thanks
David