



Ricardo S.  
Chiavenato@JPMCHASE

To: Henry R Yeagley/JPMCHASE@JPMCHASE, Mark D  
Trivedi/JPMCHASE@JPMCHASE  
cc:  
Subject: Fw: URGENT -LEH

08/07/2008 06:43 PM

Henry, Mark,

We finally sorted out the issue with Lehman.

It has \$9.7 bi in collateral posted by LCPI that is not even part of our extract. This includes \$5.8 bi of CDOs that are overpriced by Lehman and \$3.9 bi in CPs and CMOs that are probably correctly priced.

LBI also has \$3.9 bi of CDOs taken as collateral for repos with tri-party investors (that we are taking intraday) coming in our extract as ABSs. These CDOs are also overpriced by Lehman.\$

We will need to flag these as CDOs in our extract and apply higher risk factors. Ed is discussing with Gifford Fong, a boutique price vendor, having them price the CDOs. Checking \$3.1 bi in CDOs in the tri-party extract GF priced them at 40% of Lehman's prices.

Bottom line: need a specific security type/class for CDOs and changes in our Excel files/macros once this is provided by BDAS.

Let's discuss tomorrow.

Thanks.

-----  
Sent from my BlackBerry Wireless Handheld

✉ Ricardo S. Chiavenato

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

**From:** Ricardo S. Chiavenato  
**Sent:** 08/07/2008 03:53 PM EDT  
**To:** Ed Corral  
**Cc:** David Weisbrod; Diane Eshleman; Mark G  
Doctoroff/JPMCHASE@JPMCHASE1; Susan F Stevens/JPMCHASE@JPMCHASE1;  
Thomas H Mulligan/JPMCHASE@JPMCHASE1  
**Subject:** Re: URGENT -LEH

Ed,

I do not have the complete picture on the Lehman collateral.

I can not reconcile what I got. Here is what I have:

HIGHLY CONFIDENTIAL

JPM-2004 0008051

1 - E-mail from Olga Berger with 180 CDOs mostly priced by Lehman with a total market value of \$3.9 billion, of which the 20 largest CDOs account for \$3.5 million and have an average price of 83.7 price

(See attached file: LEHMAN PRICED CDOs with ratings.xls.zip)

2 - Several e-mails from Michael Mego with pdf/word files and the following text:

The LCD account has a market value of \$9.7 billion with the breakdown below.

The PPRI LCD has the market valuations which is specified on the report as Total Cash Value. We can talk as to what format and data is best for you when you are available. The attachment from Olga does not have all CUSIP's in the LCD box. This probably is the type of security. Some of the valuations on her spreadsheet don't match the PPRI report (Attachment) Thanks Again!

(See attached file: PPRI LCD.pdf)(See attached file: LEHMAN PRICED CDOs with ratings.xls)

While I understand what is in # 1, I don't know if it relates to the TPI margin or not.

I do not understand # 2 and how it connects to # 1, or how we reconcile all this data against what Dan Fleming told us (that they were posting US\$9 billion in CDOs).

When can we have a call and include the right people in your group to reconcile this ?

Thanks.

**ricardo.s.chiavenato@jpmorgan.com** ☎ Phone: 212-552-7505 📱 Cell: 646-208-8186 ✉ 1  
Chase Manhattan Plaza, Floor 58, New York, NY 10005  
✉ Ed Corral/JPMCHASE

Ed  
Corral/JPMCHASE  
08/07/2008 03:28  
PM

Susan F Stevens/JPMCHASE@JPMCHASE1, "Diane ToEshleman" <Diane.Eshleman@jpmorgan.com>  
David A. Weisbrod/JPMCHASE@JPMCHASE, Thomas ccH Mulligan/JPMCHASE@JPMCHASE1, Ricardo S. Chiavenato/JPMCHASE@JPMCHASE, Mark G Doctoroff/JPMCHASE@JPMCHASE1  
Re: URGENT -LEH

Subject

I'm with the Fed at the moment.

Ricardo, can you tell me if you've received what we need on the first point?

5pm, I suggest for the second.

We'll call Dan tonight on the third.

---

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

**From:** Susan F Stevens

**Sent:** 08/07/2008 02:33 PM AST

**To:** Ed Corral

**Cc:** David Weisbrod; Thomas Mulligan; Ricardo Chiavenato; Mark Doctoroff

**Subject:** URGENT -LEH

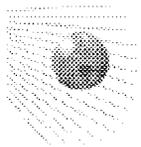
Ed,

Ricardo & Tom briefed me on LEH situation. We need to do the following in this order ASAP:

1. we need a comprehensive view of the LEH collateral; I don't want a conversation with LEH until we have this information - when will we have it?
2. Internal call to make sure we are all on same page - what's in the pool and what we want
3. Call w/ LEH to discuss. I understand that our main interface, Dan Fleming, is leaving on vacation and won't be available tomorrow. Ideally, we should have a conversation w/ LEH this evening.

Please let me know ASAP estimated time when you will have the comprehensive view and when we can have an internal call. Tom & I will tag team on this until we can get to Mark.

Thanks. Susan



- LEHMAN PRICED CDOs with ratings.xls.zip



- PPRI LCD.pdf



- LEHMAN

PRICED CDOs with ratings.xls

Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008054

Redacted

Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008056

Redacted

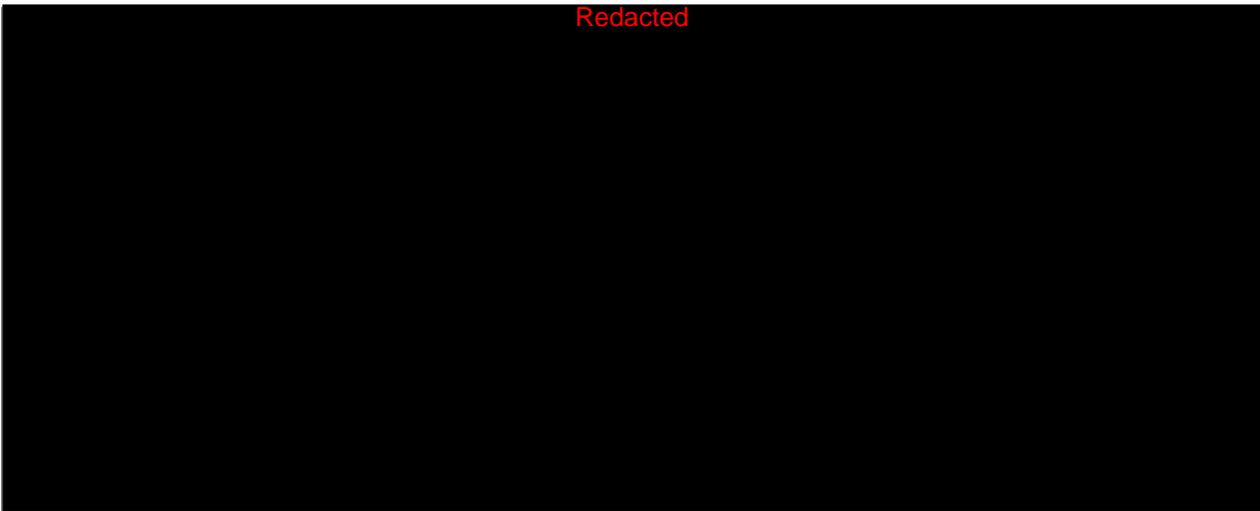
HIGHLY CONFIDENTIAL

JPM-2004 0008057

Redacted

JPM-2004 0008058

HIGHLY CONFIDENTIAL



Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008059

Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008060

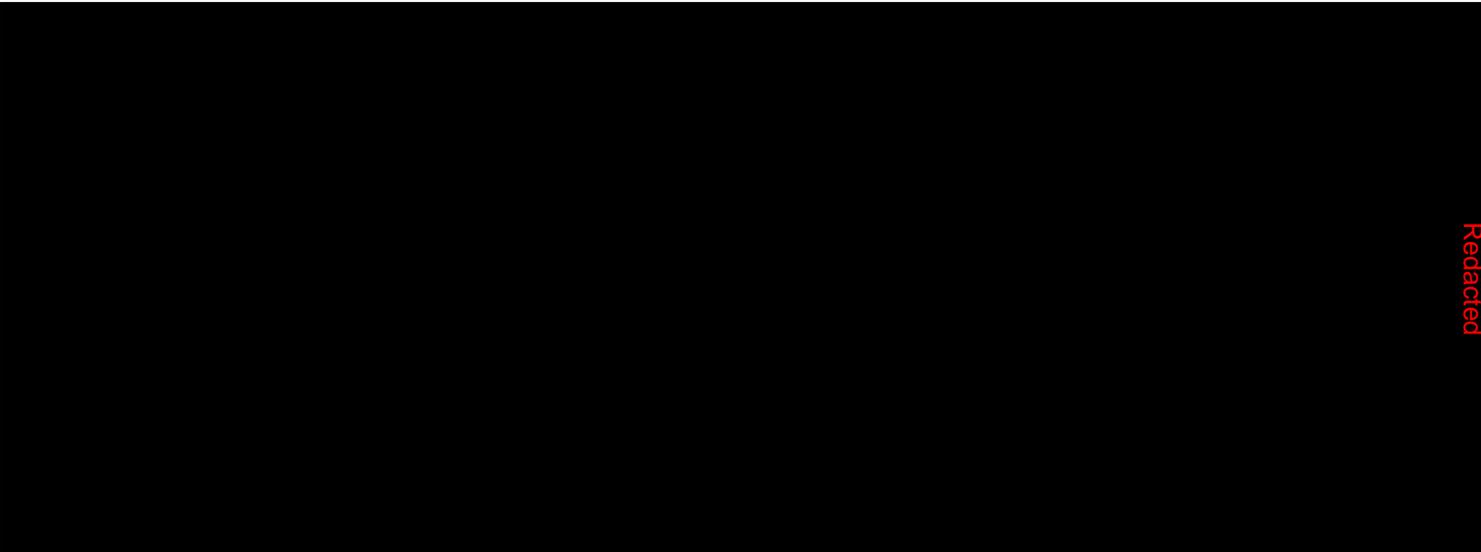


Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008061

Redacted



HIGHLY CONFIDENTIAL

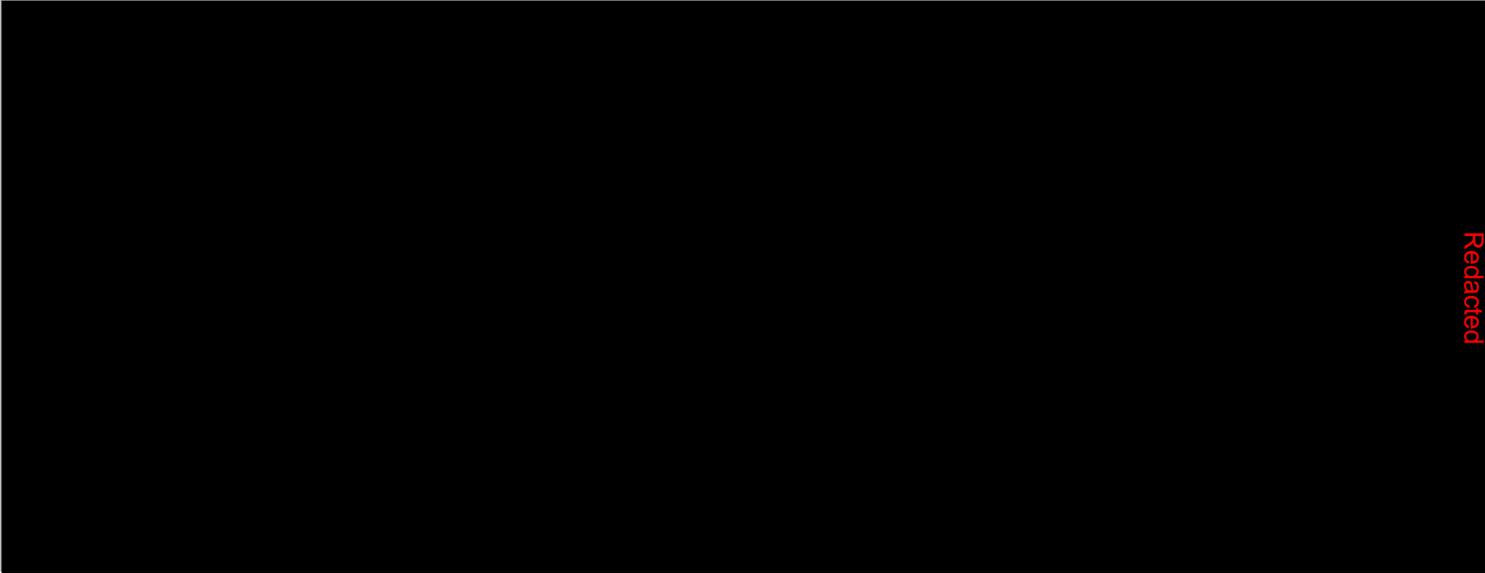
JPM-2004 0008062

(BE3) PPRI/LCD  
FROM: LCD / CP FEN 8/15/08 3.050

PAGE 1  
TO: LCD / ABS VER 10/15/20 0.0000

7-AUG-2008 07:27:50.87

Redacted



HIGHLY CONFIDENTIAL

JPM-2004 0008063

(BE3) PPRI/LCD  
FROM: LCD / CP FEN 8/15/08 3.050

PAGE 2  
TO: LCD / ABS VER 10/15/20 0.0000

7-AUG-2008 07:27:50.87

Redacted

7-AUG-2008 07:27:50.87

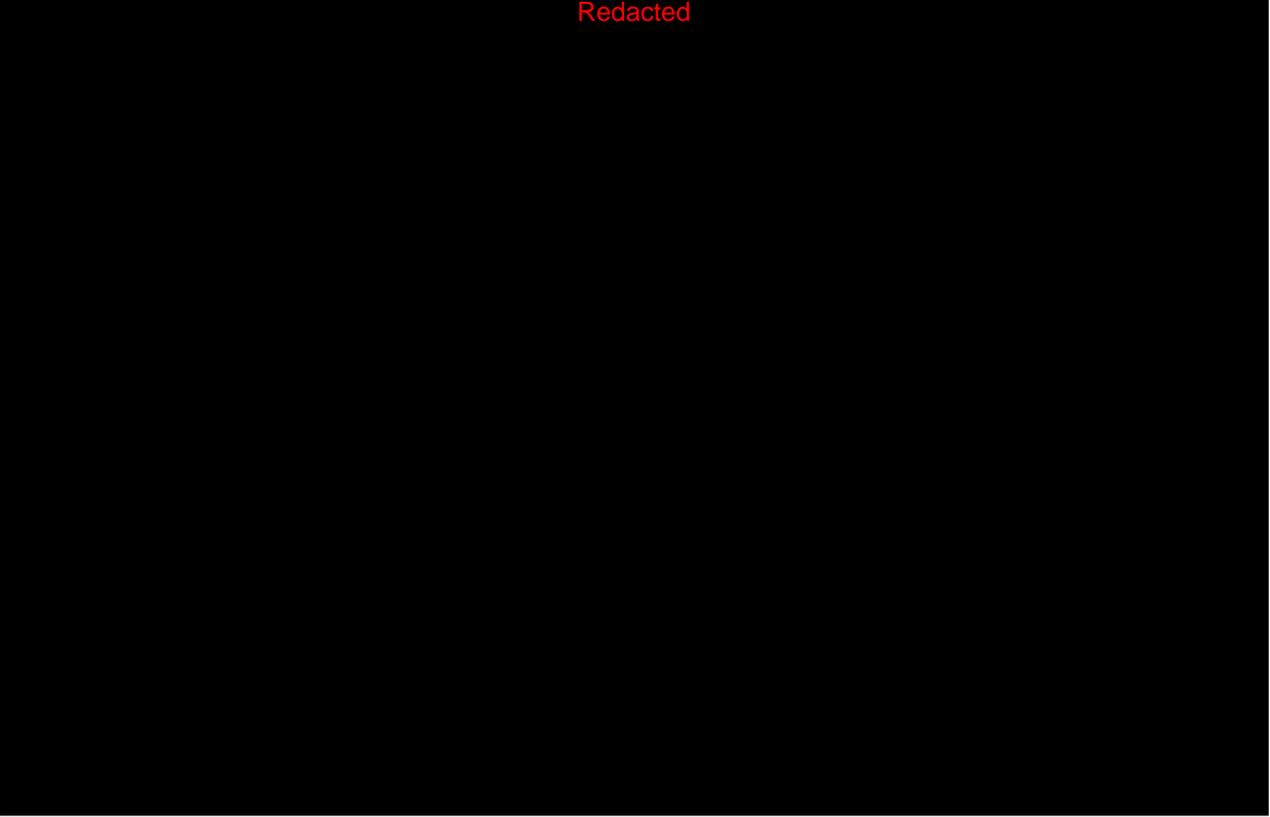
PAGE 3  
TO: END OF REPORT

(B3) PPRI/LCD  
FROM: SUMMARY

Redacted

JPM-2004 0008065

HIGHLY CONFIDENTIAL

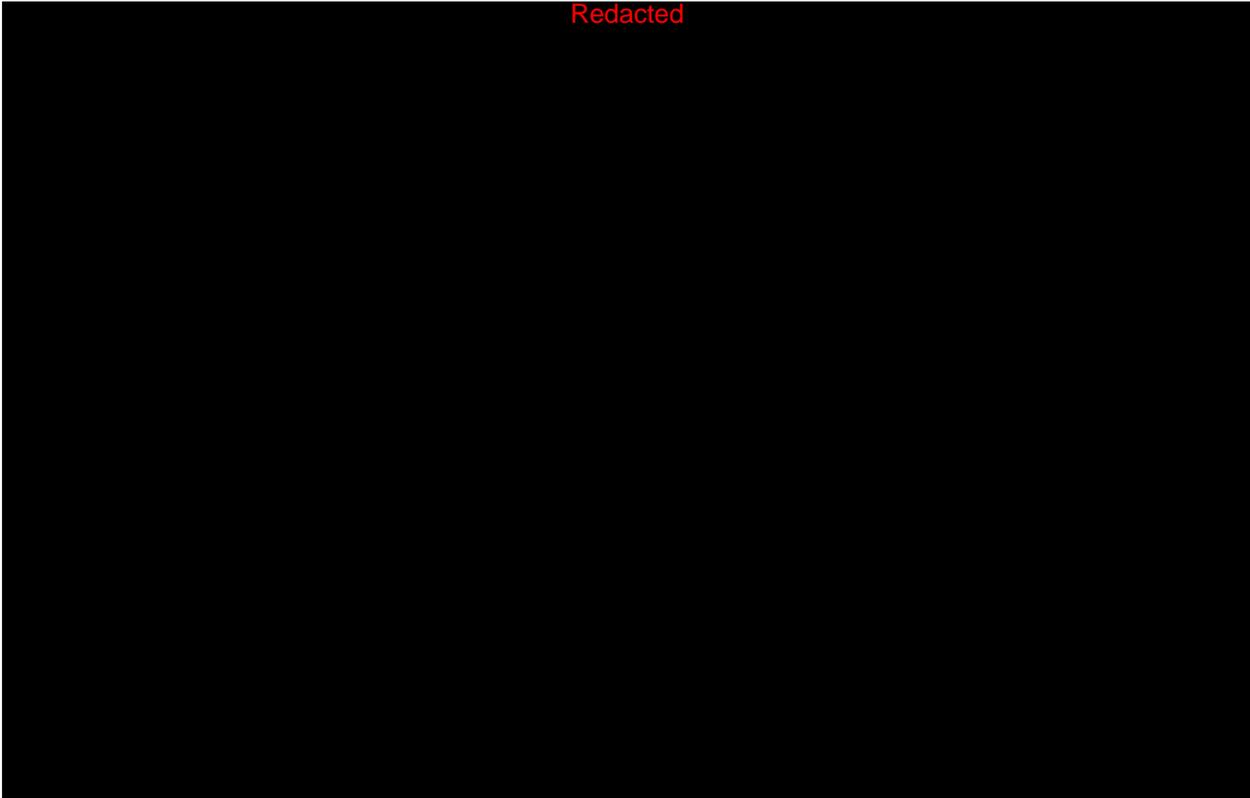


Redacted

Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008067



Redacted

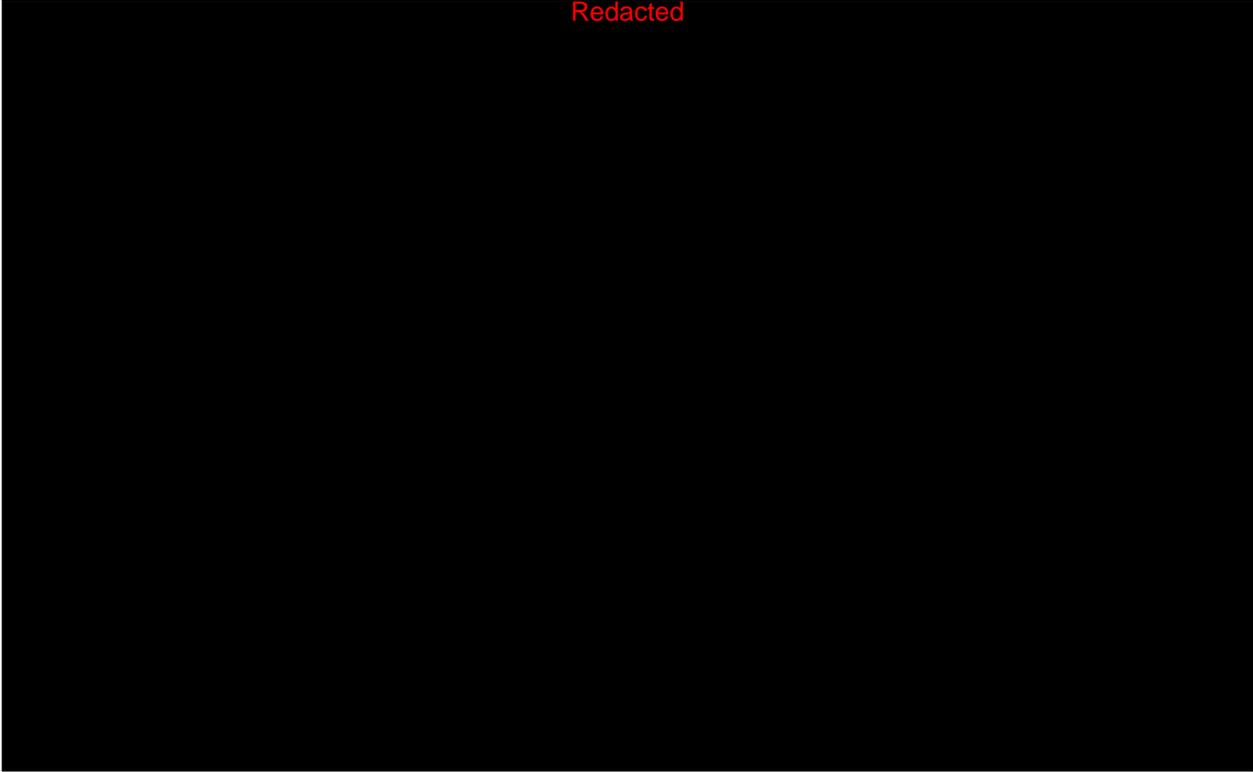
HIGHLY CONFIDENTIAL

JPM-2004 0008068

Redacted

JPM-2004 0008069

HIGHLY CONFIDENTIAL

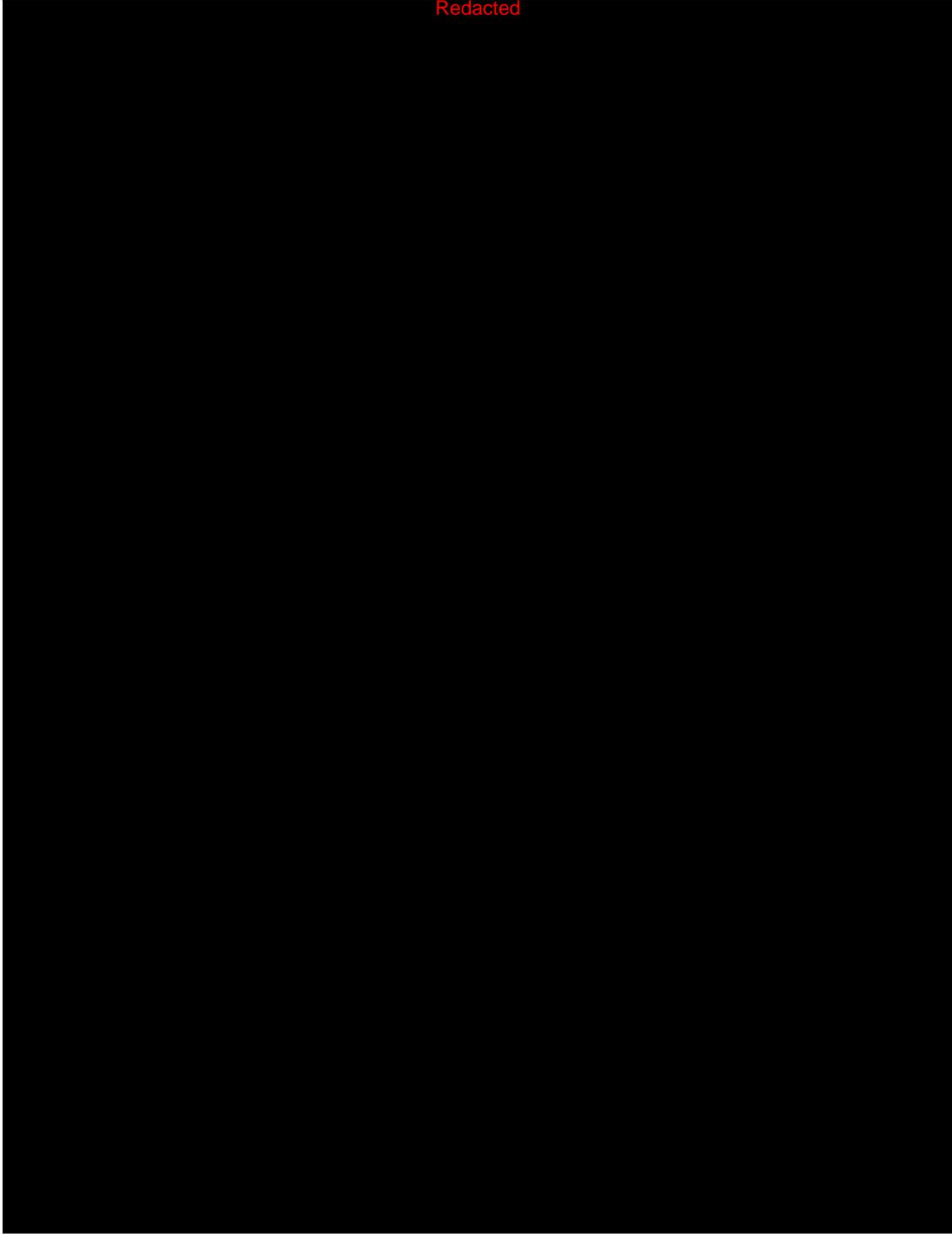


Redacted

HIGHLY CONFIDENTIAL

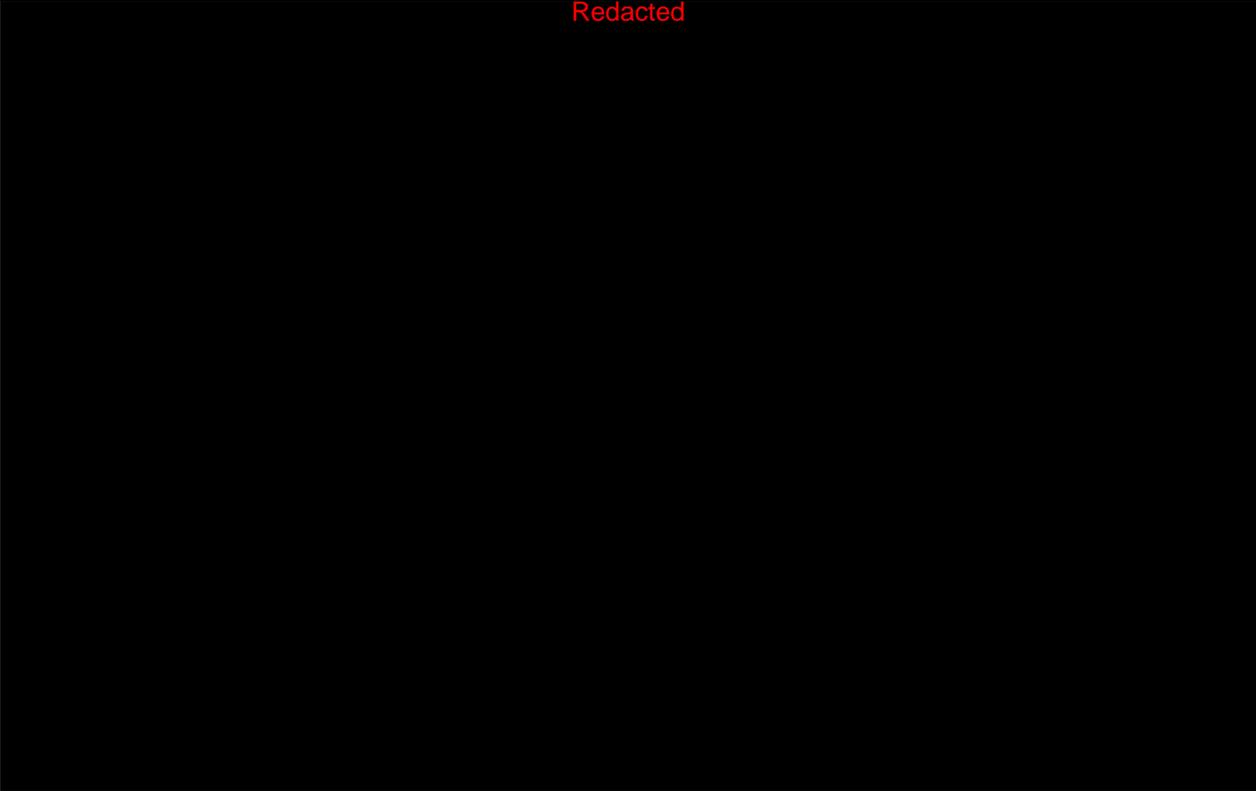
JPM-2004 0008070

Redacted



HIGHLY CONFIDENTIAL

JPM-2004 0008071



Redacted

HIGHLY CONFIDENTIAL

JPM-2004 0008072