

**Craig M
Delany**

To: Ed Corral/JPMCHASE@JPMCHASE
cc:
Subject: Re: Fw: Gifford Fong Pricing for Lehman Excess

09/12/2008
02:51 PM

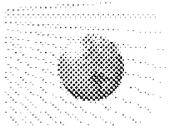
the mbs traders thought 722490AA7 would trade around 70-00

the other two clos were given a price of 50-00.

the real dicey position is the cp. it has 2% subordination wrapped to a1/p1 through a market value swap to lehman. the underlying assets are commercial whole loans. you should not accept this collateral.

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**Ed
Corral/JPMCHASE**

09/12/2008 02:29 PM

To: Craig M Delany/JPMCHASE@JPMCHASE
cc:
Subject: Fw: Gifford Fong Pricing for Lehman Excess

(722490AA7)

Craig, we just wanted to confirm the valuation you guys came up with on the above CUSIP.

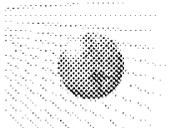
Barry is looking for an answer on this call.

Thanks,

EC.

----- Forwarded by Ed Corral/JPMCHASE on 09/12/2008 02:28 PM -----

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**Ed
Corral/JPMCHASE**

09/09/2008 12:44 PM

To: Weisbrod
cc: Ricardo S. Chiavenato/JPMCHASE@JPMCHASE, Thomas
Russo/JPMCHASE@JPMCHASE, Jon
Ciciola/JPMCHASE@JPMCHASE, Mark D
Trivedi/JPMCHASE@JPMCHASE
Subject: Fw: Gifford Fong Pricing for Lehman Excess

David, we have confirmed it is the same pieces of collateral in the excess box with the same pricing. Gifford Fong's pricing stayed fairly constant the last time we checked, so the \$4.5 billion value should still be approximately correct.

The CP pricing, if Jon hasn't already responded, is done based on a money market instrument model that is purely mathematical. The question would not be around the price but the credit worthiness of the name.

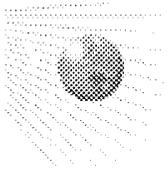
Let us know if you have any questions.

Thanks,

EC.

----- Forwarded by Ed Corral/JPMCHASE on 09/09/2008 12:40 PM -----

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**Ed
Corral/JPMCHASE**

09/04/2008 09:14 AM

Todayid a. weisbrod
ccThomas H Mulligan/JPMCHASE@JPMCHASE1, Mark G
Doctoroff/JPMCHASE@JPMCHASE1, Diane
Eshleman/JPMCHASE@JPMCHASE, Jane Buyers-
Russo/JPMCHASE@JPMCHASE, Susan F
Stevens/JPMCHASE@JPMCHASE1

SubjectGifford Fong Pricing for Lehman Excess

David/All, here is the analysis of the Lehman excess box with Lehman's price and value compared to Gifford Fong's. Executive Summary is that GF has the three CDOs priced \$1.5 billion lower than Lehman has them. The other piece in the box is a CP for which we have no issue with its value.

Excel spreadsheet attached.

Thanks,

EC.

[attachment "Position Report 2 for ED.xls.zip" deleted by Craig M Delany/JPMCHASE]