



To: Michael A Mego/JPMCHASE@JPMCHASE
cc: Henry E Stuart/JPMCHASE@JPMCHASE, Jon
Ciciola/JPMCHASE@JPMCHASE, Mark G
Doctoroff/JPMCHASE@JPMCHASE1, Ray Stancil/JPMCHASE@JPMCHASE
Subject: Re: Release of CLO - Terms of approval

Ed
Corral@JPMCHASE
09/12/2008 02:55 PM

Let the CLO go

Thanks,

EC.

✉ Michael A Mego/JPMCHASE

Michael A
Mego/JPMCHASE
09/12/2008 02:16
PM

Henry E Stuart/JPMCHASE@JPMCHASE
To
Jon Ciciola/JPMCHASE@JPMCHASE, Mark G
cc: Doctoroff/JPMCHASE@JPMCHASE1, Ed
Corral/JPMCHASE@JPMCHASE, Ray
Stancil/JPMCHASE@JPMCHASE
Re: Release of CLO - Terms of approval
Subject

Henry,

Here is more clarity on this situation.

- Lehman wants to release \$1 billion of #722490AA7 to DTC #646
- Lehman will pledge back the securities to the LSD account.
- Lehman has a Tri-Party Repo with Lehman Brothers BankHaus for \$800mm today.
- They will use this CUSIP in this deal.
- This leaves the LCE(LBHI) account at \$5.2 billion in valuation.

My understanding is that JPM Chase is looking for \$1 billion in cash to be sent to the 066-141-605 LBIII account as replacement of the security valuation loss.

Please advise!

Thanks,

Michael A. Mego
Assistant Vice President
Broker Dealer Services
469-477-1953
✉ JPMorgan Chase Bank, N.A. - Tel 212-270-4617

JPMorgan Chase Bank, N.A. - Tel 212-270-4617

Henry E
Steuart/JPMCHASE To
09/12/2008 12:39 PM Jon Ciciola/JPMCHASE@JPMCHASE, Mark G
ccDoctoroff/JPMCHASE@JPMCHASE1, Michael A
Mego/JPMCHASE@JPMCHASE
Re: Release of CLO - Terms of approval
Subject

Per Barry Zubrow and Piers:

We can agree subject to:

- 1) Before releasing the CLO, we need a \$500MM down payment of additional cash collateral.
- 2) Once down payment is received and locked down, we can release the CLO.
- 3) From the proceeds of the repo, LEH needs to give us the difference b/w (a) the face value of the CLO (\$1.025B) and (b) \$500MM.

In other words, we want to receive the face value of the CLO (\$1.025B) back in cash.

Mark,

Can you confirm these conditions?
✉ JPMorgan Chase Bank, N.A. - Tel 212-270-4617

JPMorgan Chase Bank, N.A. - Tel 212-270-4617

Henry E Jon Ciciola/JPMCHASE
Steuart/JPMCHASE To
09/12/2008 01:23 PM Michael A Mego/JPMCHASE@JPMCHASE, Mark G
ccDoctoroff/JPMCHASE@JPMCHASE1
Release of CLO
Subject

Piers has a call out to Barry Zubrow on this.

Mark,

Do we know how much cash we are going to receive? and is this part of the \$5B?
✉ Broker-Dealer Services - Tel 212-623-3211 Fax 212-623-5959

Broker-Dealer Services - Tel 212-623-3211 Fax 212-623-5959

Jon Henry E Steuart/JPMCHASE@JPMCHASE
Ciciola/JPMCHASE To
09/12/2008 01:06 PM Michael A Mego/JPMCHASE@JPMCHASE
cc
Fw: Corp bonds
Subject

Henry, as discussed. Please clarify.

Regards.

----- Forwarded by Jon Ciciola/JPMCHASE on 09/12/2008 01:04 PM -----

Mark G
Doctoroff/JPMCHASE
09/12/2008 10:42 AM

To
Ed Corral/JPMCHASE
Donna Delloso/JPMCHASE, Jane Buyers-
ccRusso/JPMCHASE, Jon Ciciola/JPMCHASE, Piers
Murray/JPMCHASE
Re: Corp bonds

Subject

Another one of these - dan just said they are going to take one of the CLO
Cusip#723490887 called Pine and move it to LBI's collateral acct and repo it to Lehman
brothers Bankhaus and receive cash which will be sent back to us. I am jumpinh into a
meeting, but Paolo will call Jane if a problem.

From: Ed Corral
To: Mark G Doctoroff
Cc: Donna Delloso; Jane Buyers-Russo; Jon Ciciola
Sent: Fri Sep 12 10:38:02 2008
Subject: Re: Corp bonds

We've released the hold on these bonds.

Thanks,

EC.
✉ Mark G Doctoroff/JPMCHASE

Mark G
Doctoroff/JPMCHASE
09/12/2008 10:22 AM

To
Ed
Corral/JPMCHASE,
Jon
Ciciola/JPMCHASE,
Donna
Delloso/JPMCHASE,
Jane Buyers-
Russo/JPMCHASE

cc
Corp bonds

Subject

Donna and I spoke. Lehman wants the \$600mm in corp bonds we are
debiting NFE to be credited, leaving a balance \$400mm. Best, Mark

