

—
From: Arjay Jensen
Sent: Thursday, August 28, 2008 11:19 AM
To: Lee, Chan H.; James Tetreault; Paul H. Choi; Nam, Yoon Keun; Kim, Susan; hjm@hanaib.com; Oh, Justin; shwang@hanaib.com
Cc: Moby Ansari; John C. Hettinger; Brian B.W. Soh
Subject: RE: A Question from KDB



Green Acres



Excluded Assets

Excluded Assets 3... Detail Summary...

Chan,

On this question attached is some information on the "retained portfolio" that we had requested. The way the \$5.6bn has been described to us is that it contains loans that are not "mortgage loans" per se, but rather corporate-type loans with clients the H Company has banking relationships with - "relationship banking transactions". Happy to arrange a call with the real estate team that is focused on this if that is helpful.

- Arjay

From: Lee, Chan H. [mailto:cleec@hanaib.com]
Sent: Thursday, August 28, 2008 10:22 AM
To: James Tetreault; Paul H. Choi; Nam, Yoon Keun; Kim, Susan; hjm@hanaib.com; Oh, Justin; shwang@hanaib.com
Cc: Arjay Jensen; Moby Ansari; John C. Hettinger; Brian B.W. Soh
Subject: A Question from KDB

Jim and Arjay,

There is one specific question raised by KDB today which can be only answered by H Company.

They are wondering why H Company would keep \$5.6 billion worth of CRE assets at RemainCo instead of transferring all of them to SpinCo. Is it because they cannot legally transfer them to SpinCo? Or is it because of it makes business sense for RemainCo to keep them since the asset quality is high? Or is it because they have some other business reason (e.g., their relationship with clients)?

KDB would like to know if H Company is required to keep the above assets (\$5.6 billion) at RemainCo and, if so, why.

Regards,

