

From: Clackson, Patrick: Finance (LDN)
Sent: Wed, 17 Sep 2008 19:14:24 GMT
To: King, Stephen: Markets (NYK); Walker, James: Finance (NYK)
CC: Yang, Jasen: Markets (NYK); Mahon, John: Markets (LDN)
Subject: RE:

The only excluded assets are the ones you excluded, nothing else, so no other collateral

Also someone needs to check box positions to ensure we have securities and they have not been leant to a bust entity

From: King, Stephen: Markets (NYK)
Sent: 17 September 2008 20:10
To: Clackson, Patrick: Finance (LDN); Walker, James: Finance (NYK)
Cc: Yang, Jasen: Markets (NYK); Mahon, John: Markets (LDN)
Subject: RE:

The contracts are exchange traded, so they would seem to be captured by the definitions within purchased assets. Think it seems to be about 3bn gross. Would expect it to be directionally flat. Don't think it is a big issue but would like to be clear.

From: Clackson, Patrick: Finance (LDN)
Sent: Wednesday, September 17, 2008 3:04 PM
To: King, Stephen: Markets (NYK); Walker, James: Finance (NYK)
Cc: Yang, Jasen: Markets (NYK); Mahon, John: Markets (LDN)
Subject: RE:

??? I don't know will check with Archie

From: King, Stephen: Markets (NYK)
Sent: 17 September 2008 20:02
To: Clackson, Patrick: Finance (LDN); Walker, James: Finance (NYK)
Cc: Yang, Jasen: Markets (NYK); Mahon, John: Markets (LDN)
Subject:

We are trying to ensure we know where the futures contracts are. I understand we are purchasing them, correct? From what I understand they are not in the line item called derivatives on the balance sheet we were looking at. I have harry's people working on it with me.

Also, can you think if there would be any securities which would have been good collateral for the fed facilities which also would have been excluded assets, other than the securities that I excluded? I don't think so but would like to be sure. Need this for the repo discussion asap.

thx