

From: Fontana, Thomas [CMB-RISK] [0000109146@citigroup.com]
Sent: Thursday, June 12, 2008 9:12 AM
To: Foskett, Christopher M [CMB-GBKG]; Clarke Wolff, Anne [CMB-GBKG]
Cc: Mauerstein, Michael [CMB-GBKG]; Torres, Melissa J [CMB-RISK];
Frenzel, Gregory [CMB-RISK]
Subject: Lehman

Fuld oust CFO and COO. Lowitt brought back to CFO role.

We have cut back clearing lines in Asia to \$500MM and EMEA to \$500MM and have reduced NY to \$1B.

This is bad news. Market is saying Lehman can not make it alone. Loss of confidence here is huge at the moment. We are seeing novations and are passing on them!

Best regards,

Tom

Global Financial Institutions
Risk Management

Office: (212) 816-4986
Cell: (908) 577-2039
Home: (908) 665-0694