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To: Boyle, Julie [julie.boyle@lehman.com]  
Cc:  
Bcc:  
Subject: Citigroup

Just a heads up. Dan, Janet and I met with Citi today (Tom and Reto were in town). We discussed the issue on collateral. Dan/Paolo have proposed pledging Fenway Funding (CP carrying Lehman's rating/will not fly) and the CLO's Spruce, Verano, Kingfisher, Pine and 144A Sasco (at whatever haircuts). I have not released the CUSIPs, but I am concerned about Citi's reaction. Apparently, the only way to find acceptable collateral for Citi, is to repo in collateral which then can be pledged. Paolo would first like to assess Citi's reaction on this collateral. Pls give me a call to discuss.