

From: Tonucci, Paolo [paolo.tonucci@lehman.com]. Sent: 8/27/2008 12:41 PM.
To: Lowitt, Ian T [ilowitt@lehman.com].
Cc: .
Bcc: .
Subject: RE: Fidelity and HSBC.

Fidelity is being patient - speaking to John White now. Next week will be fine with them.

They are asking for us to determine timeframe.

-----Original Message-----

From: Lowitt, Ian T
Sent: 27 August 2008 12:40
To: Tonucci, Paolo
Subject: Re: Fidelity and HSBC

Please get to Steve Lessing on Fidelity. Also ask for time to execute into next week? Ian

----- Original Message -----

From: Tonucci, Paolo
To: Lowitt, Ian T
Cc: Azerad, Robert
Sent: Wed Aug 27 12:32:27 2008
Subject: Fidelity and HSBC

Fidelity advised us that they were reducing the internal credit rating for Lehman and would need to reduce repo exposure by a further \$1.1 bn. This is in addition to the \$3 bill already requested - of which 50% has been executed already.

Additionally they want to work their TOB exposure down from \$700 mm. Will need to find out from desk what the plan is.

Fidelity were clear that they had been hoping for some announcement, and that with an announcement the rating would be revisited.

HSBC called Carlo to advise that they want us to deposit cash by Friday if they are to continue clearing for us. We will need to get the lawyers to look at their request when it comes through in writing. Carlo is going to call Jeremy, and have left message for Michael Tory. Imagine something similar to BoA will need to be negotiated.

Details here are unclear - only one communication from junior person.