

**From:** Palchynsky, John N <jpalchyn@lehman.com>  
**Sent:** Monday, September 15, 2008 2:22 PM (GMT)  
**To:** Tonucci, Paolo <paolo.tonucci@lehman.com>; Ullman, Neal (NY) <Neal.Ullman@lehman.com>; Fondacaro, Jack <jfondaca@lehman.com>; Jones, Craig L <cljones@lehman.com>; Fleming, Dan (TSY) <dfleming@lehman.com>; Hraska, James W <JHraska@lehman.com>; Feraca, John <joferaca@lehman.com>; Denig, Nancy <nbayne@lehman.com>; Policke, Ricky <rpolicke@lehman.com>; Aronow, David G <daronow@lehman.com>  
**Subject:** RE: Dealer Pricing for Fed PDCF Trades

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The 380mm in RACER collateral at JPChase can be allocated as soon as necessary. The 300mm left at DTC will not be available until approximately 3:30 P.M.

We can discuss other potential allocations at Craig's 10:30 meeting.

JP

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From: Tonucci, Paolo  
Sent: Monday, September 15, 2008 10:15 AM  
To: Palchynsky, John N; Ullman, Neal (NY); Fondacaro, Jack; Jones, Craig L; Fleming, Dan (TSY); Hraska, James W; Feraca, John; Denig, Nancy; Policke, Ricky; Aronow, David G  
Subject: RE: Dealer Pricing for Fed PDCF Trades

Please fund as much as possible.

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From: Palchynsky, John N  
Sent: 15 September 2008 10:13  
To: Ullman, Neal (NY); Fondacaro, Jack; Jones, Craig L; Fleming, Dan (TSY); Hraska, James W; Feraca, John; Denig, Nancy; Policke, Ricky; Aronow, David G; Tonucci, Paolo  
Subject: FW: Dealer Pricing for Fed PDCF Trades

The \$3,600,000,000 Fed PDCF trade has been fully allocated.

4,320,000,000 of RACERS (76132AAA6) was locked up.

We have an additional 680mm (380mm at Chase, and 300mm at DTC) still available in this security that could potentially be funded.

JP

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From: Palchynsky, John N  
Sent: Monday, September 15, 2008 9:22 AM  
To: Van Schaick, George V; Feraca, John; Hraska, James W; Jones, Craig L; Fleming, Dan (TSY); Policke, Ricky; Vecchio, Laura M; Servidio, Lawrence P; Ullman, Neal (NY); Fondacaro, Jack; Denig, Nancy; Aprigliano, Sindy; Tonucci, Paolo; Webb, Michael A; Lohuis, David W; Boron, Lisa-Lynn; Guglielmo, Robert

Subject: Dealer Pricing for Fed PDCF Trades

Although it is not included in the new PDCF Schedule 1, JPChase has verbally confirmed with the Fed that Lehman priced assets will be acceptable.

JP