

**From:** Nagioff, Roger <rnagioff@lehman.com>  
**Sent:** Friday, July 20, 2007 7:49 PM (GMT)  
**To:** Lowitt, Ian T <ilowitt@lehman.com>  
**Subject:** Re: Setting up daily ALCO and colour from Dresdner

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Shit..does Joe know

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

From: Lowitt, Ian T  
To: Nagioff, Roger  
Sent: Fri Jul 20 20:46:33 2007  
Subject: Re: Setting up daily ALCO and colour from Dresdner

Agreed. We are flabby. Turns out for example that there was 100 million of written offers not in the pipeline report so we were at 700 of spend at end of june. We we're on track to spend over 1 billion. Ian

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Sent from my BlackBerry Wireless Handheld

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

From: Nagioff, Roger  
To: Lowitt, Ian T  
Sent: Fri Jul 20 15:42:32 2007  
Subject: Re: Setting up daily ALCO and colour from Dresdner

Last paragraph applies to firm broadly

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

From: Lowitt, Ian T  
To: Nagioff, Roger  
Sent: Fri Jul 20 20:32:28 2007  
Subject: Re: Setting up daily ALCO and colour from Dresdner

If everything goes as badly as it could simultaneously it will be awful, but at least at the moment a lot of people have money they are willing to end to us and if we close them quickly it will make a difference. I do think we need to get on a 'war footing'. Merli and the guys on the desk are panicky and that is feeding back into fid and outside the firm. Need people to be confident. I would describe my position based on what I know today as anxious but not panicky. Also the discipline we had post 1998 about funding completely disapated which adds to the alarm. Hope this helps. Ian

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Sent from my BlackBerry Wireless Handheld

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

From: Nagioff, Roger  
To: Lowitt, Ian T  
Sent: Fri Jul 20 15:02:36 2007  
Subject: Re: Setting up daily ALCO and colour from Dresdner

Kirk and Ken panicky...are they over reacting

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

From: Lowitt, Ian T  
To: Nagioff, Roger  
Sent: Fri Jul 20 19:55:55 2007  
Subject: RE: Setting up daily ALCO and colour from Dresdner

Work underway and will know Wednesday. Ian

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

From: Nagioff, Roger  
Sent: Friday, July 20, 2007 2:55 PM  
To: Lowitt, Ian T; McDade, Bart; O'Meara, Chris M (NY); Goldfarb, David  
Subject: Re: Setting up daily ALCO and colour from Dresdner

What is our current peak demand point and how are we currently situated to handle

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

From: Lowitt, Ian T  
To: McDade, Bart; Nagioff, Roger; O'Meara, Chris M (NY); Goldfarb, David  
Sent: Fri Jul 20 19:46:53 2007  
Subject: Setting up daily ALCO and colour from Dresdner

Paolo and I agreed it makes sense to set up a daily ALCO involving key finance and business operators to manage our liquidity on a daily basis. We have a very large number of initiatives to raise cash and want to ensure we are coordinated and adequately resourced on them, and have the right accountability. Planning to begin Monday. Paolo working on the list of items we want to discuss with the group. We will reach out to Ken re participants in FID; and will look to Pat in equities.

Also heard that Dresdner shrinking their repo book which has taken multi hundred million dollar losses on poor collateral from select hedge funds and BSAM; and Board is mandating shrinkage. Dresdner has no issue with us, and has agreed to a \$2 bn secured facility, board approved, which we sign early next week.  
Ian