

From: Goldfarb, David <dgoldfar@lehman.com>
Sent: Tuesday, August 28, 2007 10:45 PM (GMT)
To: O'Meara, Chris M (NY) <comeara@lehman.com>
Subject: Fw: Daily Risk Appetite and VaR Report - 8/27/07

We need to resolve this.

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

From: Antoncic, Madelyn
To: Goldfarb, David; O'Meara, Chris M (NY)
Sent: Tue Aug 28 17:16:02 2007
Subject: Re: Daily Risk Appetite and VaR Report - 8/27/07

No we did not close the loop on this. Robert worked up some numbers but I think we need to revisit the expected rev for Q4 given a slow-down.

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

From: Goldfarb, David
To: O'Meara, Chris M (NY); Antoncic, Madelyn
Sent: Tue Aug 28 16:19:50 2007
Subject: Fw: Daily Risk Appetite and VaR Report - 8/27/07

I thought we increased appetite to reflect YTD performance?

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

From: Peng, Jenny
To: Goldfarb, David; McDade, Bart; O'Meara, Chris M (NY); Grieb, Edward; Antoncic, Madelyn; Gentile, Joseph; Nagioff, Roger
Cc: Hawkins, Thomas; Oramas-Scala, Lesley; Neave, Jon; Azerad, Robert; Jacob, Rolly; Jacob, Anu; Pulido, Albert; Sayani, Faizal
Sent: Tue Aug 28 16:01:30 2007
Subject: Daily Risk Appetite and VaR Report - 8/27/07

<<RiskAppetite_20070827.xls>>
<<RiskAppetite_20070827.xls>>

The overall Risk Appetite usage as of 8/27/07 was \$3651mm (down \$12mm) vs. \$3300mm limit:

* Fixed Income - RA \$2453mm (down \$61mm) vs. \$2200mm limit

No major changes.

* Equity - RA \$587mm (\$up 34mm) vs. \$800mm limit

No major changes.

The overall VaR as of 8/27/07 was \$117.3mm (down \$1.8mm), 60-day Moving Average was \$89.4mm, and unweighted VaR was \$90.7mm (down \$1.6mm).

Regards,
Jenny Peng