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Sent: Thursday, July 31, 2008 5:05 PM (GMT)
To: Vecchio, Laura M <LVecchio@lehman.com>
Cc: Shotton, Paul <paul.shotton@lehman.com>; Goodman, Jeffrey <jeffrey.goodman@lehman.com>
Subject: OTS-CRE exam material
Attach: Document.pdf

Laura -

Enclosed are some details outlining the approvals/reviews of the Archstone transaction which was the primary driver of the Commercial Real Estate business going over its RA limit. The positions entered LehmanRisk on August 13, 2007.

The following items are enclosed:

- Mail from Steve Berkenfeld to the Executive Committee with Archstone documents.
- Cover page of memo from Mark Walsh outlining the proposed Archstone transaction.
- Risk Drivers page which was discussed at the June 18, 2007 meeting of the Executive Risk Committee. Mentioned on the page are the Real Estate Bridge Equity and SunCal positions.
- Email from August 14, 2007 (for COB positions on August 13, 2007) outlining the Risk Appetite changes at the Firm, FID, and Real Estate levels with mention of the RA significantly increasing over the RA limit.
- Two pages showing the entries in LehmanRisk for the RA limit overages for FID and the Real Estate business on August 13 with the comments entered by risk managers.

Please let me know if you need more material relating to the limit overage.

Thanks,
Mark