

**From:** Lynn, Gary <gary.lynn@lehman.com>  
**Sent:** Tuesday, August 22, 2006 11:02 PM (GMT)  
**To:** Amin, Kaushik <kamin@lehman.com>  
**Cc:** Eickbush, Gregory <gregory.eickbush@lehman.com>; Gentile, Joseph <joseph.gentile@lehman.com>; McGarvey, Michael <mmcgarve@lehman.com>  
**Subject:** Additional Repo 105  
**Attach:** Balance Sheet Projection 08.21.xls

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Kaushik,

I spoke with Joe- he is ok for you to temporarily increase your limit to \$20bn from \$17.5bn that you currently have, so additional \$2.5bn repo 105. We are working through implications of raising that limit further, but there's no guarantee so we need you to look within your existing positions to come down further (you are currently \$7.5bn over in net after raising repo 105 limit). Mike McGarvey will work with agency desk to help source the additional collateral.

Are there places within the cash businesses in all regions (US Govt, Europe Govt & Asia Govt) that we can come down further- would think that's the most liquid place.

We can break down the balance sheet further by product type if that will help you in identifying such positions.

Not to mention, the gross balance sheet situation is still over \$16bn after factoring in additional repo 105...

Rgds,

Gary

<<Balance Sheet Projection 08.21.xls>>