

From: Walker, George H <gwalker@lehman.com>
Sent: Thursday, July 24, 2008 8:34 PM (GMT)
To: Shafir, Mark G <mark.shafir@lehman.com>; Reilly, Brian <breilly@lehman.com>; Weiss, Jeffrey L <jweiss@lehman.com>; McGee III, Hugh E <hmcgee@lehman.com>; Mehta, Punit (NY) <pumehta@lehman.com>
Cc: Zuckerman, Heather <heather.zuckerman@lehman.com>
Subject: Re: IMD Update

If you can, great. Heather is arranging.

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

From: Shafir, Mark G
To: Walker, George H; Reilly, Brian; Weiss, Jeffrey L; McGee III, Hugh E; Mehta, Punit (NY)
Sent: Thu Jul 24 16:31:50 2008
Subject: RE: IMD Update

Do you need us to participate in any meetings?

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

From: Walker, George H
Sent: Thursday, July 24, 2008 4:31 PM
To: Reilly, Brian; Shafir, Mark G; Weiss, Jeffrey L; McGee III, Hugh E; Mehta, Punit (NY)
Subject: Re: IMD Update

Given the incoming calls (thank UBS) and the number of outbound calls we've made, feels like probability of leaking soon is extremely high.

We are bringing the ECs of asset management, private equity and PIM over the wall shortly. We need them working with us to get this done (and not contributing to the rumor mill given their own insecurities).

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

From: Reilly, Brian
To: Walker, George H; Shafir, Mark G; Weiss, Jeffrey L; McGee III, Hugh E; Mehta, Punit (NY)
Sent: Thu Jul 24 15:57:33 2008
Subject: RE: IMD Update

Bart spoke with Franklin. They are interested. I am calling their CAO / Head of Strategy now

From: Reilly, Brian
Sent: Thursday, July 24, 2008 12:58 PM
To: Walker, George H; Shafir, Mark G; Weiss, Jeffrey L; McGee III, Hugh E
Subject: RE: IMD Update

To be clear, when Schwarzmann says "for the firm," he means buying IMD / NB at his management company, similar to how he bought GSO last year. So an investment as a portfolio company or owning the business as part of Blackstone

From: Reilly, Brian
Sent: Thursday, July 24, 2008 12:50 PM
To: Walker, George H; Shafir, Mark G; Weiss, Jeffrey L; Whitman, Brad; Mehta, Punit (NY); McGee III, Hugh E
Cc: Vitols, Janis; Laurino, Andrew; Paull, Benjamin M; Kavulich, Stephen N
Subject: IMD Update

Dick spoke with Scharzmann. Said they would be interested not only as an investment at the fund level but also potentially for the firm. I will call Chin Chu at Blackstone

Separately, Janis and I met with the Head of Strategy at HSBC this morning. It was a previously scheduled meeting as we have been working with them on a variety of things, including asset management. I talked to him about our business. He said it would be interesting but they need to look at it in the context of other alternatives they are exploring. As George has mentioned, they would prefer to do a Merrill / Blackrock deal where they give their asset management to someone else, take a stake in a public entity and distribute the product. Biggest issue is that they will not be able to move quickly. Michael Tory is calling the CFO separately.

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