

**From:** Goldfarb, David <dgoldfar@lehman.com>  
**Sent:** Thursday, August 28, 2008 2:49 AM (GMT)  
**To:** william.schlich@ey.com  
**Subject:** Re:

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I think utilizing your guy who is objective is best next step. There has got to be way to reach him. Want to save our conversation as last resort. Have Turley leave message, I assume he will return that call. We need you guys to kick in on this.  
Dave

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

From: william.schlich@ey.com <william.schlich@ey.com>  
To: Goldfarb, David  
Sent: Wed Aug 27 22:42:29 2008  
Subject: Re:

Working on it. I have not been able to get him. I will try again tomorrow. I did get to speak to someone else in our SEC practice, (unfortunately he does not have the same contacts) and the general consensus is Wayne purposely called Martin directly because he doesn't want the accountants on the phone. Wayne knows he is not on strong ground around FV and you now have to negotiate with him. My suggestion is you push back nicely giving him all the business reasons to not do FV accounting. You should also consider telling them that you will pull out any operating properties representing 5% or More of assets. This will put pressure on the 3-14 leverage they believe they have. The concern is that if Wayne wanted to talk to ken (our Sec guy) he would have called him directly. You may want to try with Wayne and then have us call.

I will talk to you in the morning.

Bill

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Ernst & Young

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

From: "Goldfarb, David" [dgoldfar@lehman.com]  
Sent: 08/27/2008 07:14 PM  
To: <william.schlich@ey.com>  
Cc: "Kelly, Martin" <martin.kelly@lehman.com>

Hey,

Did you reach your N.O. guy yet? He is the man to nail this for us. Easy part is that our accounting request is the right answer and the one used by sector that Spinco will operate in.

And also, is consistent with the business plan of holding to maturity the debt instruments and holding longer-term to intended original business plan on all equity investments.

DG

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