

From: Stewart, Marie <marie.stewart@lehman.com>
Sent: Tuesday, October 23, 2007 1:36 PM (GMT)
To: Wiener, Todd <todd.wiener@lehman.com>; Giblin, Simon <sgiblin@lehman.com>
Subject: FW: Repo105 on bonds created out of securitisations that have failed FAS140 true sale
Attach: Repo Eliminations.xls

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

From: Chokshi, Divyesh
Sent: Tuesday, October 23, 2007 9:19 AM
To: Bismal, Anuraj; Gibb, Dominic; Holmes, Richard
Cc: Stewart, Marie; Lee, Matthew; Grieb, Edward; Jackson, Marcus; O'Grady, Raymond
Subject: RE: Repo105 on bonds created out of securitisations that have failed FAS140 true sale
Importance: High

Anuraj,

The bonds that were excluded from Repo 105 benefit, as a result of FAS140 Failed Sale are shown in the attachment (Eurosail, Curl, Windermere XII and Windermere XI).

Having spoken to Product Control, the additional bonds that you have shown in your original file attachment do not fall within the FAS140 Failed sale treatment and as such are eliable securities for Repo 105 benefit.

Please let me know if you have any further queries.

Regards

Divyesh

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

From: Bismal, Anuraj
Sent: 23 October 2007 13:20
To: Gibb, Dominic; Holmes, Richard; Chokshi, Divyesh
Cc: Stewart, Marie; Lee, Matthew; Grieb, Edward; Jackson, Marcus; O'Grady, Raymond
Subject: RE: Repo105 on bonds created out of securitisations that have failed FAS140 true sale

Dom,

I noticed that as of Sept month end these bonds are still being given

repo105 benefit. Was an adjustment made to deny this benefit elsewhere?

Also - I checked and as of Oct 19th - and to my uneducated eye it seems that a smaller subset of these bonds are still getting Repo105 benefit. I assume this is just a matter of implementing across all bond cusips?

Thanks

AB

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

From: Gibb, Dominic
Sent: Friday, October 05, 2007 2:36 AM
To: Holmes, Richard; Bismal, Anuraj; Chokshi, Divyesh
Cc: Stewart, Marie; Lee, Matthew
Subject: Re: Repo105 on bonds created out of securitisations that have failed FAS140 true sale

Divyesh has done this. FID are happy that this market still represents an attractive and liquid method of funding these assets.

The balance sheet group here and PC will keep track of such assets and ensure no 105 benefit is taken.

Dom

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

From: Holmes, Richard
To: Bismal, Anuraj; Gibb, Dominic; Chokshi, Divyesh
Cc: Stewart, Marie; Lee, Matthew
Sent: Thu Oct 04 22:20:27 2007
Subject: RE: Repo105 on bonds created out of securitisations that have failed FAS140 true sale

Yes, we are well aware. The issue this week was more procedural than conceptual.

Believe Divyesh was going to speak to Mark Cosaitis again on these (to also ensure we aren't incurring unnecessarily large haircuts when we weren't getting the 105 benefit)

Regards

From: Bismal, Anuraj
Sent: Thursday, October 04, 2007 10:15 PM
To: Holmes, Richard; Gibb, Dominic; Chokshi, Divyesh
Cc: Stewart, Marie; Lee, Matthew
Subject: Repo105 on bonds created out of securitisations that have failed FAS140 true sale

Guys - just a reminder that repo105 is disallowed on such bonds.

Probably need a notification process to front office such that this does not occur again?

