

**From:** McGarvey, Michael <mmcgarve@lehman.com>  
**Sent:** Wednesday, July 2, 2008 2:03 PM (GMT)  
**To:** Vallecillo, Jormen <jormen.vallecillo@lehman.com>  
**Subject:** Re:

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Yes, No and yes. :)

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

From: Vallecillo, Jormen  
To: McGarvey, Michael  
Sent: Wed Jul 02 09:50:02 2008  
Subject: RE:

I see...so it's legally do-able but doesn't look good when we actually do it? Does the rest of the street do it?  
Also is that why we gave so much BS to Rates Europe?

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

From: McGarvey, Michael  
Sent: Wednesday, July 02, 2008 9:46 AM  
To: Vallecillo, Jormen  
Subject: Re:

It's basically window dressing. We are calling repos true sales based on legal technicalities.  
The exec committee wanted the number cut in half.

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

From: Vallecillo, Jormen  
To: McGarvey, Michael  
Sent: Wed Jul 02 08:43:45 2008  
Subject:

So what's up with repo 105 ? Why are we doing less next quarter end?