

**From:** Rizzieri, Jerry (NY) <jerry.rizzieri@lehman.com>  
**Sent:** Friday, February 22, 2008 3:42 PM (GMT)  
**To:** Gothard, Chaz S <cgothard@lehman.com>; McGarvey, Michael <mmcgarve@lehman.com>; Gavin, Mark <mgavin@lehman.com>  
**Cc:** Murphy, Ryan (London) <ryan.murphy@lehman.com>  
**Subject:** RE: 105

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Great. Let me know when it is finalized and I will coordinate with you how we allocate here

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> \_\_\_\_\_  
> From: Gothard, Chaz S  
> Sent: Friday, February 22, 2008 10:41 AM  
> To: Rizzieri, Jerry (NY); McGarvey, Michael; Gavin, Mark  
> Cc: Murphy, Ryan (London)  
> Subject: RE: 105  
>  
> BDF is looking v unlikely to be set up prior to 1/4end as the Doc's  
> are still being scrutinised !! The good news is that we're about to do  
> a test trade with BIS who are already setup to trade Treasuries via  
> repo and are happy to take 105% haircut. Im not sure about their  
> pricing yet but im sure they'll be in the ball park .  
> Potentially they may be good for between \$3 -5 yards  
>

> Thanks to Ryan Murphy in Sales for this.....

>  
>  
>  
> Regards

>  
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> From: Rizzieri, Jerry (NY)  
> Sent: Friday, February 22, 2008 3:12 PM  
> To: Gothard, Chaz S; McGarvey, Michael; Gavin, Mark  
> Subject: RE: 105  
>

> Guys  
> Before any additional 105 lines are allocated to a particular  
> business, please touch base with me first. Any new capacity will  
> likely need to be split among some of the other product lines within  
> rates. In other words, we may choose to give some to discount note  
> business, some to TIPS/Govt and a bit less to agencies...  
>

> \_\_\_\_\_  
> From: Gothard, Chaz S  
> Sent: Wednesday, February 20, 2008 11:18 AM  
> To: Rizzieri, Jerry (NY); Gavin, Mark  
> Cc: McGarvey, Michael; Allery, Stephen; Feraca, John  
> Subject: RE: 105

>  
> Jerry ,  
>  
> I understand your need for capacity but as things stand we're running  
> at full. This week we financed the following :-  
>  
> \$ 3 yards Agencies - Barclays  
>  
> \$ 3 Yards Agencies - UBS  
> \$ 1 Yards TVA's - UBS  
> \$ 1.8 Yards TIP's - UBS  
>  
> \$ 2.5 Yards TIP's - Mizuho  
>  
> total 105 - \$ 11.3 yards  
>  
> 105 cpty's accounts not used :-  
>  
> Mitsubishi - out of action until JPY year end has passed  
> KBC - Does not have the appetite ( cash ) at present  
>  
> Work in Progress :-  
>  
> Banque De France - On the verge of doing our first trades ...s/be good  
> for minimum \$ 3 yards over qtr end. We are waiting for legal to  
> finalise.  
>  
> Mizuho - Our line of \$2.5 Yards is shared globally with our Tokyo  
> office using on occasion . We've asked for the line to be doubled to  
> \$ 5 yards but the process is proving extremely painful.  
>  
>  
> Without new counterparts we cannot guarantee to fund any increase  
> although we'll obviously try. It may be worth getting our sales force  
> to try and source new liquidity as im not sure all avenues have been  
> explored . This would obviously not help for the qtr end . I'll speak  
> with Rui Leal for possible names .....

>  
> Regards  
>  
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> \_\_\_\_\_  
> From: Rizzieri, Jerry (NY)  
> Sent: Wednesday, February 20, 2008 2:29 PM  
> To: Gothard, Chaz S; Gavin, Mark  
> Cc: McGarvey, Michael  
> Subject: 105  
>  
> Hi guys. I know you work with Mitch King to secure more repo 105  
> financing for agency product. I would like to know if we could  
> continue to push the capacity higher. We are likely to use more  
> agency product as collateral and might even use some TIPS and discount  
> notes. Can you let me know how it looks? Thanks