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**Sent:** Wednesday, April 9, 2008 9:32 PM (GMT)  
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**Cc:** Russo, Michael A <michael.russo@ots.treas.gov>  
**Subject:** Follow Up to our Monday Meeting  
**Attach:** Proposed OTS Supervisory Plan for 2008.doc

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Thank you for arranging our first quarterly meeting on Monday. We appreciated the management presentations in Audit, Finance and Risk Management. They were very helpful to our effort in maintaining a year-around understanding of the Firm's business and financing activities, risks and controls.

As I mentioned after the Audit presentations, I would like to spend a few days reviewing the SOX audit reports focusing on risk management and the CSE audit. In the past Beth and Jim reviewed specific audits with us before reading the full reports. During that time, I would also like to read Corporate Audit's November Audit Committee report. As we discussed, if you could send the two reports without the findings, I could get a little head start.

Also, I would like to spend some time with Risk Management, and would like to receive, if possible, the package provided to the Risk Committee and presentations on Risk Management provided to other regulators/rating agencies over the past 3 months. The last time we reviewed RM was last August and September, I feel that the OTS is behind on where we should be in this key risk control function.

I would like to spend next Tuesday and Wednesday and the following week in New York to review these two areas. I don't expect to spend much time in meetings, but need to read through the material and be able to ask some questions.

I have attached a proposed examination schedule for the balance of the year which I briefly spoke about after the meeting. The first target has been confirmed and I will be getting back to you on some specifics relating to that review.

Laura mentioned that the SEC is reviewing or has reviewed the commercial mortgage area and that you could share presentations and other materials provided by you related to that business review. That would certainly streamline our review or render the formal target in that area to a few days as opposed to four weeks. We obviously have an identical objective to reduce regulatory overlap and maybe we can begin here. Also, we would appreciate receiving other information provided to the CSE and Fed to build our knowledge and understanding of the Firm as expeditiously as possible.

Tom/Stacey, on an administrative matter, has my current ID card been updated for access?

Thanks for your help as we begin to implement our new supervisory program.

Ron

<<Proposed OTS Supervisory Plan for 2008.doc>>