

From: Feraca, John <joferaca@lehman.com>
Sent: Tuesday, September 4, 2007 11:41 AM (GMT)
To: Reilly, Gerard <greilly@lehman.com>; Umezaki, Kentaro <kumezaki@lehman.com>; Rizzieri, Jerry (NY) <jerry.rizzieri@lehman.com>
Subject: FW: AGY Repo 105

Fyi. Given some of Barclays recent issues and the coming 9/30 period end it may be difficult to match August qtr end balances for Sept month-end.

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> From: Gothard, Chaz S
> Sent: Tuesday, September 04, 2007 6:17 AM
> To: Gavin, Mark; Trombetta, Michael; Silverberg, Marc; Croutier, Kevin
> Cc: Balance Sheet Group NY; McGarvey, Michael; Gerber, Stephen; Raha, Lorraine; Kennish, Lisa; Lynn, Gary; Feraca, John; REPO TRADE SUPPORT; Allery, Stephen
> Subject: RE: AGY Repo 105
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> All,
>
> Just so we're all on the same page . KBC are no longer able to finance our 105 agency trades . They are only accepting ECB eligible paper as collateral for now and trading only O/N , Tom or Spot next .
> This effectively means we only have 3 counterparts with which to transact this business - Mizuho , Barclays & UBS .
> Whilst they have taken all the paper we've thrown at them to date this situation should not be relied upon .
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> Regards
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