

From: Williams, Jonathan D <jonathan@lehman.com>
Sent: Tuesday, September 16, 2008 6:21 PM (GMT)
To: Tonucci, Paolo <paolo.tonucci@lehman.com>
Cc: Eby, Robert <reby@lehman.com>; Lowitt, Ian T <ilowitt@lehman.com>; Fleming, Dan (TSY) <dfleming@lehman.com>; Blackwell, Alastair <ablackwe@lehman.com>; Iorio, James <james@lehman.com>; Gladwin, Richard V <richard.gladwin@lehman.com>
Subject: RE: CLS for 9/17

I just got off the phone with Rob Close and he will contact Citi.

Tomorrow is the IMM settlement date so this was extremely important.

Thank you!

> Lehman Brothers
> Global Foreign Exchange
>
> T 212 526 8781
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> email: jonathan@lehman.com

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> _____
> From: Tonucci, Paolo
> Sent: Tuesday, September 16, 2008 2:19 PM
> To: Williams, Jonathan D
> Cc: Eby, Robert; Lowitt, Ian T; Fleming, Dan (TSY); Blackwell,
> Alastair; Iorio, James
> Subject: RE: CLS for 9/17

>
> Can you call him - the presumption from him is that the trades will be
> cleared by Citi

>
> _____
> From: Williams, Jonathan D
> Sent: 16 September 2008 14:17
> To: Tonucci, Paolo
> Cc: Eby, Robert; Lowitt, Ian T; Fleming, Dan (TSY); Blackwell,
> Alastair; Iorio, James
> Subject: RE: CLS for 9/17

>
> Has Citi communicated that to CLS?

>
> Rob Close needs to hear it from them.

>
>

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> From: Eby, Robert
> Sent: Tuesday, September 16, 2008 2:11 PM
> To: Williams, Jonathan D
> Subject: FW: CLS for 9/17
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> From: Lowitt, Ian T
> Sent: Tuesday, September 16, 2008 2:04 PM
> To: Tonucci, Paolo; Eby, Robert; Berland, Terrance
> Cc: Fleming, Dan (TSY); Williams, Robin; Blackwell, Alastair
> Subject: RE: CLS for 9/17
>
>

> Finally we have a friend with some pull.
> Ian
>
>

> From: Tonucci, Paolo
> Sent: Tuesday, September 16, 2008 1:55 PM
> To: Tonucci, Paolo; Eby, Robert; Berland, Terrance
> Cc: Fleming, Dan (TSY); Williams, Robin; Blackwell, Alastair;
> Lowitt, Ian T
> Subject: RE: CLS for 9/17
>
>

> Citi called to say they would clear us through CLS tomorrow.
>
>

> From: Tonucci, Paolo
> Sent: 16 September 2008 13:41
> To: Eby, Robert; Berland, Terrance
> Cc: Fleming, Dan (TSY); Williams, Robin; Blackwell, Alastair
> Subject: RE: CLS for 9/17
>
>

> We have almost no time left to get these trades identified. Citi
> cannot seem to get the info and we need to know which trades to
> rescind to maintain the majority of the 20,000 trades that are live.
>
>
>

> From: Eby, Robert
> Sent: 16 September 2008 13:31
> To: Berland, Terrance; Tonucci, Paolo
> Cc: Fleming, Dan (TSY); Williams, Robin
> Subject: RE: CLS for 9/17
>
>

>
> FX Ops is starting work on identifying trades to reduce. We need
> guidance on a reasonable level that Citi will fund.
>
>
> _____
> From: Berland, Terrance
> Sent: Tuesday, September 16, 2008 1:08 PM
> To: Tonucci, Paolo
> Cc: Eby, Robert
> Subject: RE: CLS for 9/17
> Importance: High
>
> Do we have the list of trades yet?
>
>
> _____
> From: Eby, Robert
> Sent: Tuesday, September 16, 2008 12:47 PM
> To: Berland, Terrance
> Subject: FW: CLS for 9/17
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> _____
> From: Lowitt, Ian T
> Sent: Tuesday, September 16, 2008 12:42 PM
> To: Tonucci, Paolo; Williams, Jonathan D
> Cc: Fleming, Dan (TSY); Iorio, James; Eby, Robert; Gladwin, Richard
> V; Blackwell, Alastair
> Subject: RE: CLS for 9/17
>
> Include Alastair Blackwell on the mail. Thanks Ian
>
>
> _____
> From: Tonucci, Paolo
> Sent: Tuesday, September 16, 2008 12:41 PM
> To: Tonucci, Paolo; Williams, Jonathan D
> Cc: Fleming, Dan (TSY); Lowitt, Ian T; Iorio, James; Eby, Robert;
> Gladwin, Richard V
> Subject: RE: CLS for 9/17
>
> Citi are telling me that the intraday is huge (peaking around \$8 bill
> around 6 am). They believe that they would need full
> collateralisation - which is not possible - so will need to settle
> these bilaterally.
>
> I have asked them to provide us with the details of the largest trades
> that they see causing this problem. Once these are identified we may
> want to take them out of CLS and have them settle bilaterally or try
> and give up to another counterparty.
>
> Will pass on info as soon as I have, but if you know what these trades
> are for LBI and LBCC I suggest that we identify them and send to me /
> Terry.
>
>
> _____
> From: Tonucci, Paolo

> Sent: 16 September 2008 12:01
> To: Williams, Jonathan D
> Cc: Fleming, Dan (TSY); Lowitt, Ian T; Iorio, James; Eby, Robert;
> Gladwin, Richard V
> Subject: RE: CLS for 9/17

>
> I have asked Citi for direction but they have not commented yet.

>
> _____
> From: Williams, Jonathan D
> Sent: 16 September 2008 10:13
> To: Tonucci, Paolo
> Cc: Fleming, Dan (TSY); Lowitt, Ian T; Iorio, James; Eby, Robert;
> Gladwin, Richard V
> Subject: FW: CLS for 9/17

>
> Have you had any conversations with Citi or CLS today?

>
> Rob Close called earlier and would like to know where we are with Citi
> authorizing tomorrow's instructions as below.

>
> 44 77 40 039 467

>
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> Global Foreign Exchange

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> _____
> From: Williams, Jonathan D
> Sent: Tuesday, September 16, 2008 8:35 AM
> To: Eby, Robert
> Cc: Fleming, Dan (TSY); Tonucci, Paolo; Lowitt, Ian T; Iorio, James;
> Gladwin, Richard V
> Subject: CLS for 9/17

>
> Rob Close called. Everything settled through CLS yesterday and today.

>
> For tomorrow, we have a net position of \$14B which, with haircuts, is
> \$16B. Our limit with Citi is \$10B.

>
> Can we roll positions out to 9/18 to reduce? We need to do something
> as Citi has not authorized yet.

>
> Please call me.

>
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