

From: Lowitt, Ian T <ilowitt@lehman.com>
Sent: Friday, July 20, 2007 7:19 PM (GMT)
To: Umezaki, Kentaro <komezaki@lehman.com>
Subject: Re: Funding Plan

Yes - I'd like to be a part of your monday meeting. I would like to take joe through the issue before going to risk committee. He will be sensitive to how this gets positioned I think. Maybe a sun valley topic? I would like to have dimensioned the issue, and have range of responses when talk with him, which we should be able to do next week. I have alerted him to the issue already but not scaled the problem. Re issuance we have to be a bit careful in that our willingness to pay up for cash last week gave some credibility to this weeks rumours - that said, we need the cash and did right thing. I am starting to worry more than my usual amount. Ian

Sent from my BlackBerry Wireless Handheld

----- Original Message -----
From: Umezaki, Kentaro
To: Lowitt, Ian T
Sent: Fri Jul 20 08:32:59 2007
Subject: RE: Funding Plan

My thoughts:

FID awareness: I know Alex is already on the case (dresdner trs etc.). We went thru it yesterday again. Real Estate needs to be told what to do. Rates is "blind" to this. Dave Sherr is aware but not really: I think he/we are underestimating the potential issues. If we can't sell AA-rated stuff, this is an issue. Pretty sure Hyung and Andy are not very aware. Humphrey, Mattu: no idea I'm sure. Lastly, we need to get Jim Merli and Paolo on the exact same page as to how to approach term funding so that when the market opens (even cracks open a bit) we can get deals done, no?

Also, now is not the time to be growing our balance sheet in principal businesses away from us if we are having this problem. How do we get that communicated?

So, a few ideas:

Do you want to join me and Alex on Monday with Roger to discuss how and what we should communicate? I was going to ask Roger on Monday what we should be saying. Meeting's at noon-ish

Also, do you participate in the risk meetings with Exec on Mondays? I think it makes sense for you to go and walk them thru it. If not someone (I guess you) should get Roger to speak to the overall issue.

Based on those 2 meetings we can communicate down into FID?

-----Original Message-----
From: Lowitt, Ian T
Sent: Friday, July 20, 2007 8:09 AM
To: Umezaki, Kentaro; Younis, Nahill; Tonucci, Paolo
Subject: Re: Funding Plan

Agree completely. Was in a meeting yesterday afternoon with mcd/ mortgages and it seems origination

likely to increase, securitization harder and no liquidity for certain tranches, and more worrying if becomes more widespread, secured counterparties increasingly concerned about collateral quality, is making funding of the lower IG tranches harder (paolo could you please get colour from funding desk). Ken, in addition to getting this plan together which nahill is coordinating, what should we be doing to raise awareness and influence behaviour within the businesses without being alarmist ? Ian

Sent from my BlackBerry Wireless Handheld

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

From: Umezaki, Kentaro
To: Younis, Nahill; Tonucci, Paolo
Cc: Lowitt, Ian T
Sent: Fri Jul 20 07:50:44 2007
Subject: Re: Funding Plan

The one other area we should compile needs for is the mortgage and mcd area. Given the securitization of mtgs is difficult we need to get a sense of that. Sparky has been asked by Dave Sherr to look into Q3 pipeline but not sure re yearend. Please reach out to him. Ken

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

From: Younis, Nahill
To: Hughson, Paul A; Walsh, Mark
Cc: Cohen, Jonathan; Veksler, Irina; Tonucci, Paolo; Umezaki, Kentaro
Sent: Thu Jul 19 18:10:44 2007
Subject: RE: Funding Plan

Mark, Paul,

In the meeting yesterday it was mentioned that you had a pipeline to the end of the year of new asset acquisitions and securitizations.

Is this something you can send through to us or let us know who we can sit with to assist us in compiling the Balance Sheet and Cash Capital projection for your Businesses.

Thanks
Nahill

From: Younis, Nahill
Sent: Wednesday, July 18, 2007 2:52 PM
To: Tonucci, Paolo; Lowitt, Ian T; Hughson, Paul A; Walsh, Mark; Umezaki, Kentaro; Kirk, Alex (FID)
Cc: O'Meara, Chris M (NY)
Subject: RE: Funding Plan

Attached is a presentation which looks at the drivers of our funding requirement, that we'll refer to during our discussion on the 4:00pm call today.

<< File: RE Cash Capital Review_as of June 29 2007 AF.ppt >>

Regards
Nahill

From: Reville, Jillian On Behalf Of Tonucci, Paolo
Sent: Monday, July 16, 2007 8:58 AM

To: Tonucci, Paolo; Lowitt, Ian T; Younis, Nahill; Hughson, Paul A; Walsh, Mark; Umezaki, Kentaro;
Kirk, Alex (FID)
Subject: Updated: Funding Plan
When: 2007年7月18日水曜日 16:00-16:30 (GMT-05:00) Eastern Time (US & Canada).
Where: Ian Lowitt's Office - Dial in if needed

Local Number: 8664620164 International Number: 2053540249 Conference ID: 7015330 PIN: 6583