

**From:** McNamara, Hilary <Hilary.McNamara@lehman.com>  
**Sent:** Monday, September 8, 2008 4:06 PM (GMT)  
**To:** Binkley, Tracy A <tbinkley@lehman.com>  
**Cc:** Tuininga, Chris <Chris.Tuininga@lehman.com>  
**Subject:** RE: Jeremy Isaacs  
**Attach:** Isaacs, Jeremy 3.1.09.xls

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Tracy,

Attached is an updated statement showing only the voluntary scenarios, based on a termination date of 3/1/09 and a stock price of \$15. Based on this termination date, he qualifies for Full Career treatment on the 2006 year-end award. The 2000-03 PSUs and 2003 CSAs will be delivered on schedule on 11/30/08.

Let me know if you need anything else.

Thanks,  
Hilary

<<Isaacs, Jeremy 3.1.09.xls>>

>  
> \_\_\_\_\_  
> From: Binkley, Tracy A  
> Sent: Monday, September 08, 2008 10:39 AM  
> To: McNamara, Hilary  
> Cc: Tuininga, Chris  
> Subject: RE: Jeremy Isaacs  
>  
> Can you update this with assumed term date of March 1, 2009 (so that  
> he makes full career)? The plan is that Jeremy work through year end.  
> Then he has 3 months garden leave.  
>  
> And drop the involuntary columns. Thanks!  
>  
> With that scenario, I'm not sure that we need to accelerate any  
> expense into 2008.  
>  
> However, we will be working a on a "compromise agreement" with him  
> this week, so not sure what that will mean from an account  
> perspective. I'll ask Chris to work on that.  
>

> \_\_\_\_\_  
> From: McNamara, Hilary  
> Sent: Tuesday, September 02, 2008 1:56 PM  
> To: Binkley, Tracy A  
> Subject: Jeremy Isaacs  
>  
> Tracy,  
>  
> Attached is a workup for Jeremy Isaacs assuming a termination date /  
> last day worked of December 31, 2008 and a stock price of \$17. Note  
> that the 2003 - 2005 stock option grants are the 5-year price-hurdle  
> grants, with the 2004 - 2005 grants still being subject to the price  
> hurdles.  
>  
> << File: Isaacs, Jeremy 12.31.08.xls >>

>  
> Jeremy will turn 45 on March 1, 2009 and have more than 10 years of  
> service - so will qualify for Full Career treatment on his 2006 and  
> 2007 awards as of that date. He would therefore retain the entire  
> 2006 and 2007 year-end CSAs in the case of an voluntary termination to  
> a competitor or an involuntary termination without Cause.  
>  
> Also attached is what Chris T. was working on last week - using a  
> termination date of Nov 30th. If you need a separate workup for  
> September 30th, please let me know.  
>  
> << Message: FW: EC Term Analysis >>  
>  
> Thanks,  
> Hilary