

From: Mark G Doctoroff/JPMCHASE <mark.g.doctoroff@jpmorgan.com>
Sent: Friday, September 12, 2008 1:47 PM
To: Christopher D. Carlin/JPMCHASE <CHRISTOPHER.CARLIN@jpmchase.com>
Cc: Barry L Zubrow/JPMCHASE <barry.l.zubrow@jpmchase.com>; Bill T Winters/JPMCHASE <bill.t.winters@jpmorgan.com>; Brian Sankey/JPMCHASE <Brian.Sankey@jpmorgan.com>; David A. Weisbrod/JPMCHASE <David.A.Weisbrod@jpmchase.com>; Diane M. Genova/JPMCHASE <genova_diane@jpmorgan.com>; Donald McCree/JPMCHASE <Donald.McCree@jpmorgan.com>; Donna Dellosso/JPMCHASE <Donna.Dellosso@jpmorgan.com>; Ed Corral/JPMCHASE <ED.CORRAL@jpmorgan.com>; Frank J Bisignano/JPMCHASE <frank.j.bisignano@jpmchase.com>; Heidi Miller/NY/ONE <heidi.miller@jpmchase.com>; Jamie Dimon/IL/ONE <jamie.dimon@jpmchase.com>; Jane Buyers-Russo/JPMCHASE <Jane.Buyers-Russo@jpmorgan.com>; John J. Hogan/JPMCHASE <John.J.Hogan@chase.com>; Mike Cavanagh/IL/ONE <mike.cavanagh@jpmchase.com>; Piers Murray/JPMCHASE <piers.murray@jpmorgan.com>; Ricardo S. Chiavenato/JPMCHASE <ricardo.s.chiavenato@jpmorgan.com>; Robert T. Colleran/JPMCHASE <Robert.T.Colleran@chase.com>; Ruth J Peterson/JPMCHASE <Ruth.J.Peterson@jpmchase.com>; Stephen M Cutler/JPMCHASE <stephen.m.cutler@jpmorgan.com>; Steven D. Black/JPMCHASE <Steven.D.Black@jpmorgan.com>; hsnovikoff@wlrk.com
Subject: Re: Lehman USD Cash Progress

Update on overall cash and securities position of LEH. They are likely to need a Fed extension on the payments deadline this evening as they have @\$5bn credit they expect from DTCC and another \$5bn in Money Market Funds receipts, but as they have sent most of their free cash out from Citi and our accounts, and their clearance account NFE is low due to all the blocks we have taken out, they do not think all these credits in will be able to be processed between 5pm and 6pm.

From: Christopher D. Carlin
To: Christopher D. Carlin
Cc: Barry L Zubrow; Bill T Winters; Brian Sankey; David A. Weisbrod; Diane M. Genova; Donald McCree; Donna Dellosso; Ed Corral; Frank J Bisignano; Heidi Miller; hsnovikoff@wlrk.com ; Jamie Dimon; Jane Buyers-Russo; John J. Hogan; Mark G Doctoroff; Mike Cavanagh; Piers Murray; Ricardo S. Chiavenato; Robert T. Colleran; Ruth J Peterson; Ruth J Peterson; Stephen M Cutler; Steven D. Black
Sent: Fri Sep 12 13:38:09 2008
Subject: Re: Lehman USD Cash Progress

Last 550 million received from Citi at 1:26PM NY time...balance in the Lehman Holding co account is now at 5 billion and the account remains blocked for discretionary transfers.

Ed Corral may now go ahead and release the remainder of the NFE hold.
Christopher D. Carlin, Managing Director □ TSS WHEM Credit Risk Executive, christopher.carlin@jpmchase.com
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Christopher D. Carlin/JPMCHASE To Barry L Zubrow/JPMCHASE
09/12/2008 11:49 AM cc Barry L Zubrow/JPMCHASE@JPMCHASE, bill t winters/jpmchase@JPMCHASE, brian sankey/jpmchase@JPMCHASE, david a. weisbrod/jpmchase@JPMCHASE, Diane M.

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Subject

Lehman USD Cash Progress

Christopher D. Carlin

Barry,

At 1130 EDT current balance in the Lehman Holding Co account is 4 billion 450 million vs the target 5 billion. We have this account on dr alert so it cannot be paid away with a discretionary wire transfer.

In the last hour we've posted the 2.4 bn from the triparty repo cash, received 1.1 bn in from Citibank, and at Lehman's request moved an additional 450 million of available funds in another of Lehman's accounts on our books. We've been able to stay net long cash across their USD operating accounts here thus far on top of the 5bn.

I've authorized release of 2.4 bn of the 5 bn NFE hold in BDAS concurrent with the move of the 2.4 bn cash to the holdco account.

I've now just authorized BDAS to reduce the hold on the NFE to a total of 550 million which will remain until such time we receive the remaining cash and have it locked up.

cdc9/12/08

Christopher D. Carlin, Managing Director □ TSS WHEM Credit Risk Executive, christopher.carlin@jpmchase.com

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□ Barry L Zubrow/JPMCHASE

**Barry L
Zubrow/JPMCHASE**

Sent by: Ruth J
Peterson

09/12/2008 11:03 AM

To Diane M. Genova/JPMCHASE@JPMCHASE, john j.
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cc Barry L Zubrow/JPMCHASE@JPMCHASE

Subject: UPDATE CALL: Lehman Operating Exposures

There will be a call today at 2 pm in the OC Room on 48.

CONFIDENTIAL

JPM-2004 0006448

For those calling in:

1-866-870-8212
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Host (Barry): 8845 4862
Participant: 8300 5892

There will also be another update at 6:30 pm.