
From: Forster, Andrew
Sent: Friday, December 14, 2007 11:45 AM
To: 'Wright, Neil'
Cc: Shirley, William; 'michael.sherwood@gs.com'
Subject: Collateral Dispute



UKSCANNER200712
14164020.pdf

Neil,

Please find attached a letter relating to the collateral dispute.

Regards

Andrew

Banque **AIG**

London Branch
5th Floor, One Curzon Street, London W1J 5RT
Tel: 020 7659 7000 Fax: 020 7659 7200

Authorised and regulated by the FSA

December 14, 2007

Mr. Neil Wright
Goldman Sachs International
Facsimile: 207-774-0343
E-mail: neil.wright@gs.com

Re: ISDA Master Agreement, dated as of 19 August 2003 (the "Master Agreement"),
between AIG Financial Products Corp. and Goldman Sachs International,
including the Credit Support Annex thereto, dated as of 19 August 2003

Dear Neil,

I appreciate your calling me today concerning our ongoing dispute regarding the amount of collateral that is required to be posted under the Master Agreement.

Given the significant amount of collateral in dispute that is held by Goldman, we expect either that you now return to us the amount of collateral that we have called for, or that you continue next week to engage actively and constructively with us in discussions toward resolving the dispute. It would not be appropriate to delay the discussions at this stage. My colleague, Tom Fewings, will be available to work with you and your colleagues on this important matter Monday morning and will look forward to hearing from you.

Kind regards,



Andrew Forster
Executive Vice President

cc: Mr. Michael Sherwood
Goldman Sachs International
Facsimile: 207-774-0343
E-mail: michael.sherwood@gs.com