From: Eichner, Matthew  
Sent: Tuesday, March 11, 2008 8:36 AM  
To: Giles, James  
Subject: FW: ZFRSSE - BS

Just left you a message. We do have daily numbers on parent liquidity that we’d be happy to share with you or others. The short answer is that they are operating at just above $18 billion, as they have been for the last week or two. Everything rolled yesterday, but that will probably not continue. All the noise around Bear seems to lead back to Lek, one particular firm. I believe that some of our colleagues in ENF may be getting interested in them.

From: Brian.Peters@ny.frb.org [mailto:Brian.Peters@ny.frb.org]  
Sent: Tuesday, March 11, 2008 8:35 AM  
To: Eichner, Matthew  
Subject: ZFRSSE - BS

We have begun to see some buyside firms trying to move away from Bear as a prime broker counterparty. Also seeing some HF's wishing to assign trades the clients had done with Bear to other CPs so that Bear "steps out" - generally not seeing this happen due to reg cap, though. Snese that clients are more concerned about BS than the dealers at this point.

Also, some folks were wondering if you have a time series or trend on unencumbered assets? This message was secured in transit. ZFRSSE