

From: Fontana, Thomas [CMB-RISK] [tf09146@imcnam.ssmb.com]
Sent: Thursday, June 12, 2008 9:21 AM
To: Foskett, Christopher M [CMB-GBKG]
Subject: RE: Lehman

Nightmarish. Fuld may have made a mistake because the market is not viewing this as a positive. Erin was going to be part of the solution.
Our internal team has lost complete confidence. No telling what will happen.

Best regards,

Tom

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Risk Management

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

From: Foskett, Christopher M [CMB-GBKG]
Sent: Thursday, June 12, 2008 9:18 AM
To: Fontana, Thomas [CMB-RISK]
Subject: Re: Lehman

I cant believe this.....

Sent from my BlackBerry Wireless Handheld

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

From: Fontana, Thomas [CMB-RISK]
To: Foskett, Christopher M [CMB-GBKG]; Clarke Wolff, Anne [CMB-GBKG]
Cc: Mauerstein, Michael [CMB-GBKG]; Torres, Melissa J [CMB-RISK]; Frenzel, Gregory [CMB-RISK]
Sent: Thu Jun 12 09:11:50 2008
Subject: Lehman

Fuld oust CFO and COO. Lowitt brought back to CFO role.

We have cut back clearing lines in Asia to \$500MM and EMEA to \$500MM and have reduced NY to \$1B.

This is bad news. Market is saying Lehman can not make it alone. Loss of confidence here is huge at the moment. We are seeing novations and are passing on them!

Best regards,

Tom

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