But nothing further in terms of interim bridging support? The PDCF is a liquidity facility, it does not provide any credit support.
I guess my question is would Hank in principle consider putting public capital at risk temporarily as a bridge while an agreed deal was implemented - eg by backstopping the bad bank portfolio on a temporary basis, or temporarily standing behind Lehman trades while a complex takeover was implemented?

----- Original Message -----  
From: Michele.Davis  
Sent: 09/14/2008 09:28 AM AST  
To: Krishna Guha, Brookly.Mclaughlin@dc.treas.gov  
Subject: Re: Lehman query

Off the record, his view is that the existing tools should be used as needed. Existing tools include the pdcf.

----- Original Message -----  
From: Krishna.Guha@FT.com <Krishna.Guha@FT.com>  
To: Davis, Michele; McLaughlin, Brookly  
Sent: Sun Sep 14 09:12:39 2008  
Subject: Lehman query

Would Paulson's firm no government money position rule out the government providing some short term bridging support eg while the acquisition of the problem asset portfolio by a consortium of Wall Street banks was organised and implemented? I am trying to figure out whether the position is no public capital at risk at any point - or something that would in principle allow interim support so long as the end transaction was entirely private. Please advise. It is important I don't end up mischaracterising Hank's position only for people to see an apparent climbdown if/when a deal is announced. Best, K

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