

Arthur Angulo/NY/FRS

09/19/2008 12:50 PM

To

Til Schuermann/NY/FRS@FRS, William BRODOWS/NY/FRS@FRS, Lorie Logan/NY/FRS@FRS, Joshua Frost/NY/FRS@FRS

cc

"Lucinda Brickler" <Lucinda.Brickler@ny.frb.org>

bcc

Subject

Re: *** BONY/PDCF issue

Thx...We have a call into BNY on this...

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

From: Til Schuermann
To: William BRODOWS
To: Arthur Angulo
To: Lorie Logan
To: Joshua Frost
Sent: Sep 19, 2008 12:34 PM
Subject: *** BONY/PDCF issue

Folks: BoNYM is requesting \$22bn of extra collateral from Morgan Stanley to cover intra-day exposure for PDCF. It's causing significant pain at MS. Can we help?

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----- Forwarded by Til Schuermann/NY/FRS on 09/19/2008 12:26 PM -----

"Hsu, Michael" <HSUM@SEC.GOV>
09/19/2008 12:03 PM

To
<Til.Schuermann@ny.frb.org>

cc

Subject
BONY/PDCF issue

Morgan has some issue with BONY w/r/ its PDCF borrowings. i don't get it. but BONY is requiring \$38bn of intra-day credit.
is there someone at the Fed we can talk to to understand the mechanics of the PDCF? want to get all the facts straight before we run this up the chain....