



Stoltzfoos, Jeffrey

From: Market Room
Sent: Friday, March 14, 2008 6:39 PM
Subject: PM Markets Update | March 14

Fri Mar 14 04:10:32 PM

DJIA	11951.09	-1.60%
S&P	1288.14	-2.08%
NASDAQ	2212.49	-2.26%
FTSE	5631.7	-1.07%
Nikkei	12241.60	-1.54%
1-Month Tsy	1.170	-37.5 bps
3-Month Tsy	1.145	-17.0 bps
2-Year Tsy	1.462	-15.6 bps
10-Year Tsy	3.436	-9.0 bps
2yr SwSpr	86.25	-1.2 bps
10yr SwSpr	68.75	+0.2 bps
10yr Gilts	4.335	-2.90 bps
10yr Bund	3.733	-2.70 bps
10yr JGB	1.275	-1.50 bps
Oil NMX WTI	\$110.06	-\$0.27
Gold Spot	\$1000.30	+\$5.40
\$/Euro	\$1.5668	+0.27%
Yen/\$	99.25	-1.22%

Quotes provided by Reuters

Trading conditions were impaired across asset classes, as negative sentiment spread across markets. Treasury dealers expressed difficulty in executing trades at typical sizes, in both on- and off-the-run securities, and bid-ask spreads were reportedly wider across asset classes. Implied volatility broadly increased, with the VIX increasing 3.9 index points to 31.2, the highest level since early 2003. Additionally, short-dated swaption-implied volatility increased modestly, with implied volatility on 1-month options on 10-year swaps increasing approximately 6 basis points to 171 basis points.

Shares of Bear Stearns declined 47% and their CDS widened 70 basis points to 750 basis points, following an announcement that the firm would receive secured funding as necessary for an initial period of up to 28-days. JPMorgan will act as Bear Stearns' agent to access the FRBNY discount window by providing it with a temporary non-recourse lending facility. JPMorgan will not be exposed to counterparty credit risk through the arrangement. Market participants suggested the funding could amount to around \$4 to \$6 billion to meet day-to-day funding needs. Shares of JP Morgan declined 4.1 percent and their CDS spreads widened 25 basis points to 170 basis points. Market participants will be closely attuned to Bear Stearns' Q1 2008 earnings report after the market closes on Monday for further insight into the firm's liquidity position.

Market participants expressed concern that Bear Stearns situation is indicative of similar problems that other investment banks could be facing in coming weeks. Many money market mutual funds, have reportedly reduced transacting in overnight investments with certain counterparties, and are reportedly monitoring their exposures to other broker dealers. Hedge have reportedly accelerated their drawing down of liquidity lines from prime brokers, as they anticipate additional market volatility and illiquidity. This has reportedly prompted prime dealers to reevaluate the haircuts they apply to these liquidity lines, though no actual adjustments have been reported. However, market participants suggest this could further strain funding conditions, both by pressuring prime broker balance sheet capacity and by even further limiting the demand for risky assets, resulting in continued downward pressure in prices. In addition, some hedge funds are reallocating business away from certain prime brokers. Market participants suggest this could result in consolidation and credit tiering in the hedge fund industry, as prime brokers reevaluate their capacity to take on additional risk.

The desire to secure funding among market participants was also evident in the Fed funds market. Fed funds traded as high as 50 basis points above the target rate mid-day, as dealers were reportedly reluctant to lend cash. Pressure in the overnight market gradually subsided throughout the afternoon, and Fed funds returned to the target level

late in the day.

The S&P 500 declined 2.1 percent and the financial sector sub-index underperformed the broader market, declining 3 percent. Market participants noted short selling of financial stocks by hedge funds, with little activity from real money accounts. Concerns in the financial sector from the Bear Stearns news were also exacerbated by Moody's announcement that it downgraded Washington Mutual's senior unsecured rating from 'Baa2' to 'Baa3' and placed the bank on 'outlook negative.' The rating agency suggested that Washington Mutual's required provisioning is likely to be greater than \$12 billion and that full year 2008 net losses could eliminate the company's approximately \$6 billion capital cushion above regulatory well capitalized minimums. Shares of Washington Mutual declined 12.7 percent, and their CDS widened 60 basis points to 680 basis points.

Credit spreads were also wider on the day, with the investment grade CDX index widening 3 basis points to 191 basis points. Market participants noted that the widening was driven by both the financial and consumer discretionary sectors. The option-adjusted spread on the current coupon agency pass-through security was unchanged on the day, though experienced significant intraday volatility trading in a range of 16 basis points narrower to 12 basis points wider.

U.S. Treasury yields declined 15 to 7 basis points across the 2- to 10- year coupon curve, as market participants reported safe-haven flows into the market from various account types. In addition, Treasury bill yields declined as much as 39 basis points and the Treasury GC repo rate increased 50 basis points from yesterday's morning level, trading in a range of 2.70 to 2.80 percent. Market participants suggested the divergence between the Treasury bill and Treasury GC repo rates reflected elevated counterparty credit risk, as GC repo would have otherwise traded lower in a flight-to-quality scenario absent credit concerns.

Intermediate- to longer-dated TIPS breakeven rates of inflation narrowed up to 10 basis points following this morning's lower-than-expected February CPI report. The price action was attributed to speculative accounts selling breakeven positions, as some suggested that inflation readings may not remain elevated for as long as they had previously expected. On the margin, safe-haven flows in the Treasury market following the news regarding Bear Stearns's liquidity provision may have also contributed to the narrowing in breakevens. In addition, the Barclays' measure of 5-year 5-year forward breakeven inflation declined 7 basis points to 2.70 percent, although it remains in the high end of its recent trading range.

Market expectations for near-term policy easing increased, with implied rates on the March and April fed funds futures contracts declining as much as 18 basis points to 2.6 and 2.1 percent, respectively. In addition to the Bear Stearns news, this was attributed to lower-than-expected February CPI data, as a moderation in inflation could provide the FOMC with additional flexibility to lower the target policy rate in order to address downside risks to the growth outlook. Further out, implied rates on eurodollar futures contracts maturing through the December 2008 declined as much as 20 basis points, suggesting a trough in policy rates at around 1.50 percent by late this year.

The dollar depreciated 1.5 and 0.4 percent against the yen and euro, to ¥99.26 and \$1.5669, respectively, on growing risk aversion. Market participants suggested that the execution of large trades were difficult at times given the volatility in risk appetite. However, variability in spot FX liquidity reportedly stemmed more from increased price volatility rather than a material wind-down in market-marking activity. One-month implied volatility on dollar-yen and euro-dollar both rose to 18.00 and 11.35 percent, respectively. Looking forward, some dealers expressed concern that the exchange rate volatility could pick up if risk appetite declines further and liquidity continue to deteriorate.

Next week, U.S. economic data releases will include the March FRBNY manufacturing index; the Q4 current account balance; February data for industrial production, PPI, and housing starts; and the March NAHB housing index. Many financial centers will be closed on Friday ahead of Easter, and many overseas centers will be closed the following Monday.

Foley, Trip

From: Foley, Trip
Sent: Friday, March 14, 2008 6:53 PM
To: Norton, Jeremiah
Subject: RE: Research

Attachments: Morningstar 3-3-08.pdf; GS 12-20-07.pdf; GS 12-21-07.pdf; GS 1-1-08.pdf; GS 1-10-08.pdf; GS 2-25-08.pdf; Morningstar 3-14-08.pdf; S&P 3-11-08.pdf; Morningstar 3-13-08.pdf; Morningstar 3-12-08.pdf; Morningstar 3-10-08.pdf



Morningstar
3-3-08.pdf (322 KB)



GS 12-20-07.pdf
(204 KB)



GS 12-21-07.pdf
(233 KB)



GS 1-1-08.pdf (142
KB)



GS 1-10-08.pdf
(171 KB)



GS 2-25-08.pdf
(200 KB)



Morningstar
3-14-08.pdf (338 K..)



S&P 3-11-08.pdf
(191 KB)



Morningstar
3-13-08.pdf (332 K..)



Morningstar
3-12-08.pdf (324 K..)



Morningstar
3-10-08.pdf (323 K..)

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

From: Norton, Jeremiah
Sent: Friday, March 14, 2008 6:27 PM
To: Foley, Trip
Subject: Research

Can you send me any GS research on Bear Stearns? Need to put some stuff together for Neel tonight.

Thx

Steel, Robert

From: Appleton, Jesse
Sent: Friday, March 14, 2008 6:59 PM
To: Steel, Robert; 'kevin.m.warsh@frb.gov'; 'Timothy.Geithner@ny.frb.org'; Ryan, Tony
Subject: RE: Weekend calls..

Yes, an email will be coming shortly from Bob's office with the details. The first call will be scheduled at 2 pm tomorrow. We are using a Treasury standing bridge line, so you all can set the times for the subsequent calls.

Thanks,

Jesse

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

From: Steel, Robert
Sent: Friday, March 14, 2008 6:53 PM
To: 'kevin.m.warsh@frb.gov'; 'Timothy.Geithner@ny.frb.org'; Ryan, Tony
Cc: Appleton, Jesse
Subject: Weekend calls..

Hi guys...

As we discussed we will organize a few calls for updates for the weekend.

One early afternoon on Saturday and another tentative for early Sat evening.

Then again Sunday mid morning and late afternoon.

We will organize from Treasury and will include:

Treasury
FRB
FRBNY
SEC

Hope this makes sense...

Jesse Appleton will send out e mail...pls check the distribution and add whomever you wish.

Thx.

Ridgway, Diana

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:18 PM
To: West, Christal
Subject: RE: Conference Call Saturday March 15, 2:00 pm

Thanx. Sorry about that. I will let Bob know that the Secretary will most likely not be on the 2:00 pm.

From: West, Christal
Sent: Friday, March 14, 2008 7:16 PM
To: Ridgway, Diana; Steel, Robert; Ryan, Tony
Cc: Appleton, Jesse
Subject: RE: Conference Call Saturday March 15, 2:00 pm

FYI - HMP said he and Geithner are talking at 10:00 am and 2:00 pm tomorrow, so HMP will most likely not be on this call.

Diana - FYI - no one uses the "Henry Paulson" email, so you don't need to worry about emailing to that in the future.

thanks!

CW

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:14 PM
To: 'patrick.m.parkinson@frb.gov'; 'kevin.m.warsh@frb.gov'; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org'; 'Terrence.Checki@ny.frb.org'; 'SirriE@sec.gov'; 'william.dudley@ny.frb.org'; Paulson, Henry; 'colbyr@sec.gov'
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
Subject: Conference Call Saturday March 15, 2:00 pm

Under Secretary Steel would like to convene a conference call to catch up on current developments. Please use Treasury's permanent bridge: 202-927-2255 Code (b) (2)

Ridgway, Diana

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:20 PM
To: Steel, Robert
Subject: Secy Paulson will most likely not be on the 2:00 pm conference call tomorrow. He and Geithner will be talking earlier in the day. Have a nice weekend.

Ridgway, Diana

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:15 PM
To: Appleton, Jesse
Subject: FW: Conference Call Saturday March 15, 2:00 pm

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:14 PM
To: 'patrick.m.parkinson@frb.gov'; 'kevin.m.warsh@frb.gov'; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org'; 'Terrence.Checki@ny.frb.org'; 'SirriE@sec.gov'; 'william.dudley@ny.frb.org'; Paulson, Henry; 'colbyr@sec.gov'
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
Subject: Conference Call Saturday March 15, 2:00 pm

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Ridgway, Diana

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:19 PM
To: Appleton, Jesse
Subject: RE: Conference Call Saturday March 15, 2:00 pm

I got an email from you know who telling not to use Paulson's email address in the future. NO ONE emails him.

From: Appleton, Jesse
Sent: Friday, March 14, 2008 7:16 PM
To: Ridgway, Diana
Subject: RE: Conference Call Saturday March 15, 2:00 pm

Thanks!

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:15 PM
To: Appleton, Jesse
Subject: FW: Conference Call Saturday March 15, 2:00 pm

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:14 PM
To: 'patrick.m.parkinson@frb.gov'; 'kevin.m.warsh@frb.gov'; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org'; 'Terrence.Checki@ny.frb.org'; 'SirriE@sec.gov'; 'william.dudley@ny.frb.org'; Paulson, Henry; 'colbyr@sec.gov'
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
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Steel, Robert

From: Ridgway, Diana

Sent: Friday, March 14, 2008 7:20 PM

To: Steel, Robert

Subject: Secy Paulson will most likely not be on the 2:00 pm conference call tomorrow. He and Geithner will be talking earlier in the day. Have a nice weekend.

Foley, Trip

From: Foley, Trip
Sent: Friday, March 14, 2008 7:37 PM
To: Steel, Robert
Subject: Bloomberg: Harvard's Feldstein Says U.S. Economy in a Recession

FYI.

Harvard's Feldstein Says U.S. Economy in a Recession (Update2)

By Matthew Leising and Steve Matthews

March 14 (Bloomberg) -- Harvard University economist Martin Feldstein, a member of the group that dates business cycles in the U.S., said the nation has entered a recession that could be the worst since World War II.

"I believe the U.S. economy is now in recession," Feldstein, president of the National Bureau of Economic Research, told the Futures Industry Association conference in Boca Raton, Florida. "Could this become the worst recession we have seen in the postwar period? I think the answer is yes. I would emphasize the word 'could.' "

Feldstein's remarks represent the first time that a member of the NBER's business-cycle dating committee has publicly described the current downturn as a recession. The economy may not respond quickly to Federal Reserve interest-rate cuts, and a package of tax rebates and investment incentives will offer only a temporary boost, he said.

Investors today raised their bets that the Fed will slash interest rates by a full percentage point next week after the central bank and JPMorgan Chase & Co. agreed to provide emergency funding to Bear Stearns Cos., the fifth-largest U.S. securities firm.

Bush administration officials including Treasury Secretary Henry Paulson have avoided saying the economy is in a recession.

"We have slowed down very significantly," Paulson said in a National Public Radio interview yesterday. "I'm not getting into" whether it is a recession.

The economy expanded 0.6 percent at an annualized pace last quarter, and economists surveyed by Bloomberg News this month predicted the pace will slow to 0.1 percent in January to March.

Job Losses

The U.S. unexpectedly lost jobs in February for the second consecutive month, a government report showed on March 7. A private report today showed consumer sentiment this month sank to a 16-year low.

"By almost every measure the U.S. economy is moving sideways or slightly down for the last few months," said Feldstein, who in January put the odds of a recession at more than 50 percent.

The collapse of the market for subprime loans, those given to borrowers with the weakest credit, has cost global financial companies \$195 billion in asset writedowns and credit losses since the beginning of 2007. The losses have caused liquidity in financial markets to dry up.

Financial markets are exhibiting a pervasive "unwillingness to trade" and are suffering a "loss of confidence"

about valuations of assets, said Feldstein, who is retiring as NBER president this year.

Rate-Cut Odds

Traders are betting there's a 50 percent chance the Federal Open Market Committee will cut its benchmark rate by a percentage point to 2 percent on March 18, according to trading in federal funds futures. That's up from a zero probability yesterday. The central bank has cut rates from 5.25 percent in August.

"Monetary policy is not likely to have the favorable traction in this slowdown that it has had in the past, in part because of what is happening in housing and in credit markets," Feldstein said.

A fiscal-stimulus package will help growth in the second half of the year, though that is "not very likely to do more than cause a pause" in the downturn, he said.

Revised Data

Committee members say any formal determination of a recession may still be months away, in part because economic data is frequently revised.

Feldstein said that while some data may be updated, it is "very likely" that reports will confirm a recession this year.

The Cambridge, Massachusetts-based bureau defines a recession as a "significant" decrease in activity over a sustained period of time. The declines would be visible in gross domestic product, payrolls, production, sales and incomes.

The committee says it usually determines a recession six to 18 months after one begins. It last declared a contraction officially in November 2001 that started in March of that year.

The U.S. has had 10 recessions since 1945 that have averaged about 10 months each. The longest lasted 16 months in 1981 and 1982 when the Federal Reserve, under Chairman Paul Volcker, raised interest rates to as much as 20 percent to battle soaring inflation.

"Given the retrospective nature of our process, no determination of a peak in activity is likely in the next few months," Robert Hall, a Stanford University economist who leads the NBER's business-cycle dating committee, said March 7.

"There is a good chance that when all the data are in they will show that we entered a recession in the first months of 2008," Harvard University economics professor Jeffrey Frankel, another member of the committee, said in an interview on March 12.

To contact the reporter on this story: Steve Matthews in Atlanta at smatthews@bloomberg.net

Trip Foley
Special Assistant to the
Under Secretary for Domestic Finance

U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Steel, Robert

From: West, Christal
Sent: Friday, March 14, 2008 7:54 AM
To: Steel, Robert
Cc: Ryan, Tony
Subject: RE: Chairman Cox

they've been speaking for the last 7 minutes.

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

From: Steel, Robert
Sent: Friday, March 14, 2008 7:53 AM
To: West, Christal
Cc: Ryan, Tony
Subject: Fw: Chairman Cox

Hank should give Cox a call.

I am at NY Fed in 5 and available via Geiithner.

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

From: Colby, Robert LD <ColbyR@SEC.GOV>
To: donald.kohn@frb.gov <donald.kohn@frb.gov>; Steel, Robert
Cc: Sirri, Erik R. <SirriE@sec.gov>
Sent: Fri Mar 14 07:40:36 2008
Subject: Chairman Cox

Chairman Cox has tried to reach Secretary Paulsen and Chairman Bernanke. He can be reached at his office at 202 551 2100. Robert Colby Division of Trading and Markets 202-551-5770

Stoltzfoos, Jeffrey

From: McLaughlin, Brookly
Sent: Friday, March 14, 2008 8:38 PM
To: DL_FYI
Subject: Fw: AP - Fed Takes Rare Path to Aid Bear Stearns

Sent from my BlackBerry Wireless Handheld

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

From: Brookly <brooklymc@yahoo.com>
To: McLaughlin, Brookly
Sent: Fri Mar 14 20:33:23 2008
Subject: AP - Fed Takes Rare Path to Aid Bear Stearns

AP - Fed Takes Rare Path to Aid Bear Stearns By MARTIN CRUTSINGER AP Economics Writer
983 words

14 March 2008

16:54

Associated Press Newswires

English

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WASHINGTON (AP) - The Federal Reserve invoked a rarely used Depression-era procedure Friday to bolster troubled Bear Stearns Cos. and said it will provide even more help to combat a serious credit crisis.

The action won praise from the administration, with President Bush saying that Fed Chairman Ben Bernanke was "doing a good job under tough circumstances."

The Fed announcement came in a brief two-sentence statement that was issued as stocks were plunging on Wall Street over worries that a plan to ease a liquidity crisis at Bear Stearns Cos. might not work.

Federal Reserve Chairman Ben Bernanke, delivering a speech later Friday, told a housing group he had had a "busy morning." He did not elaborate on the Fed's action regarding Bear Stearns.

"The Federal Reserve is monitoring market developments closely and will continue to provide liquidity as necessary to promote the orderly functioning of the financial system," the board said in its statement. It said members had voted unanimously to approve the arrangement, announced by JP Morgan Chase and Bear Stearns earlier.

Delivering a speech on the economy in New York, Bush voiced confidence in the Fed's actions to aggressively cut interest rates and the Fed announcement last week that it would supply up to \$200 billion in loans to cash-strapped financial institutions.

"It was a strong action by the Fed and they did so because some financial institutions that borrowed money to buy securities in the housing industry must now repair their balance sheets before they can make further loans," Bush said. "Today's actions are fast moving, but the chairman of the Federal Reserve and the secretary of the treasury are on top of them and will take the appropriate steps to promote stability in our markets."

The plan announced Friday will supply secured funding to Bear Stearns for an initial period of 28 days, seeking to provide short-term relief for Bear Stearns.

Senior Federal Reserve staffers said the arrangement allows JP Morgan Chase to borrow from the Fed's discount window and put up collateral from Bear Stearns to back up the loans. JP Morgan, a bank, has access to the discount window to obtain direct loans from the Fed, but Bear Stearns, an investment house, does not.

While JP Morgan is serving as a conduit for the loans, the Fed and not JP Morgan will bear

the risk if the loans are not repaid, officials said.

This type of procedure, Fed officials said, dates back to the Great Depression of the 1930s but has rarely been used since that time.

In his speech, Bush said the administration had a plan to deal with the problems in credit and housing markets and said he opposed a number of measures pending in Congress to go further by allocating billions of dollars to purchase abandoned and foreclosed home and changing the bankruptcy code to allow judges to adjust mortgage terms.

However, Senate Banking Committee Chairman Christopher Dodd, D-Conn., said the problems at Bear Stearns, one of the country's largest investment banks, highlighted the need for more aggressive efforts.

"Instead of cheerleading and reacting with tepid measures, the administration should act boldly and decisively to prevent the looming foreclosure crisis from having catastrophic consequences for our economy and our markets," Dodd said in a statement.

Treasury Secretary Henry Paulson praised the Fed's leadership and said that the country's financial system would be able to weather the problems.

"As we have been saying for some time, there are challenges in our financial markets and we continue to address them," Paulson said in a statement. "This is another challenge that market participants and regulators are addressing. We are working closely with the Federal Reserve" and the Securities and Exchange Commission.

Paulson said he appreciated the leadership of the Fed "in enhancing the stability and orderliness of our markets."

The action by the Fed board in Washington represented an endorsement of a rescue effort for Bear Stearns that had already been arranged by JPMorgan and the Federal Reserve's New York regional bank.

It was seen as a last-ditch effort to save the investment bank, which on Friday acknowledged its serious financial problems after a week of denials.

After the situation at Bear Stearns worsened late Wednesday, there were a series of conference calls throughout the day on Thursday with officials from the Fed, the New York Fed and the SEC to assess the potential impact on the broader economy, according to a Treasury official, who spoke on condition of anonymity because of the sensitive nature of the discussions.

This official said that Paulson had been keeping Bush updated on the proposed rescue effort.

JPMorgan Chase is providing an undisclosed amount of secured funding to Bear for 28 days, backstopped by the Federal Reserve Bank of New York.

The Securities and Exchange Commission issued a statement saying it has been "in close contact" with Treasury, the Federal Reserve and the Federal Reserve Bank of New York during discussions concerning an agreement by J.P. Morgan Chase & Co. to provide a secured loan facility to The Bear Stearns Companies.

"We will continue to work closely together in a way that contributes to orderly and liquid markets," the SEC said.

Last week, the Fed announced an industry-wide rescue package that would provide as much as \$200 billion in loans to banks and investment houses and allow them to put up risky home-loan packages as collateral. It was the Fed's latest effort to stem a global credit crisis that began last August with rising loan defaults for subprime mortgages, loans provided to borrowers with weak credit histories.

Never miss a thing. Make Yahoo your home page.
<http://www.yahoo.com/r/hs>

Appleton, Jesse

From: Steel, Robert
Sent: Saturday, March 15, 2008 8:58 AM
To: McLaughlin, Brookly; Davis, Michele; Ryan, Tony
Cc: Zuccarelli, Jennifer
Subject: Re: Here we go..

Good morning everyone....

1. There are NO meetings planned that will be help at Treasury.
2. What is planned...(Just so you know) is a series of phone calls throughout the weekend.
3. There are no phone calls planned to financial institutions other than what we are working on re Bear Stearns.

Sound right Tony ?

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

From: McLaughlin, Brookly
To: Davis, Michele; Ryan, Tony; Steel, Robert
Cc: Zuccarelli, Jennifer
Sent: Sat Mar 15 08:42:47 2008
Subject: Here we go...

Just got my first press call of the weekend! AP hears that Treas officials are holding mtgs over the weekend with wall street/financial institution folks at the treas building. So questions are:

1. (For my knowledge) true? What's the nature? (BS related or broader?)
2. How should we handle press inquiries? (Something like - we're not going to confirm any particular meetings, but it shouldn't come as a surprise to anyone that given the issues we're working through and Friday's Fed actions that there would be work ongoing and meetings taking place.)
3. If this stuff is getting out already at 9am on Saturday morning - think we can expect lots of calls throughout the weekend - so anything you can give me a heads up on beforehand would be helpful.

Thanks!

Sent from my BlackBerry Wireless Handheld

Stoltzfoos, Jeffrey

Subject: Conference Call
Location: 202-927-2255 | PIN (b) (2)

Start: Sat 3/15/2008 10:00 PM
End: Sat 3/15/2008 10:30 PM

Recurrence: (none)

Meeting Status: Accepted

Required Attendees: Steel, Robert; Nason, David; Ryan, Tony; Kashkari, Neel; Stoltzfoos, Jeffrey; Appleton, Jesse; Norton, Jeremiah; Hoyt, Robert

When: Saturday, March 15, 2008 10:00 PM-10:30 PM (GMT-05:00) Eastern Time (US & Canada).

Where: 202-927-2255 | PIN (b) (2)

~~*~*~*~*~*~*~*~*

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 11:02 PM
To: Stoltzfoos, Jeffrey
Subject: Re: DF Internal call

Non-Responsive

Trip Foley
Department of the Treasury
202-622-1258
trip.foley@do.treas.gov

----- Original Message -----
From: Stoltzfoos, Jeffrey
To: Foley, Trip
Sent: Sat Mar 15 23:00:39 2008
Subject: Re: DF Internal call

Non-Responsive

----- Original Message -----
From: Foley, Trip
To: Stoltzfoos, Jeffrey
Sent: Sat Mar 15 22:58:14 2008
Subject: Re: DF Internal call

No worries man. Its a thrill a minute, huh??

Not looking good to get Hank updated blueprint by noon.....

Trip Foley
Department of the Treasury
202-622-1258
trip.foley@do.treas.gov

----- Original Message -----
From: Stoltzfoos, Jeffrey
To: Foley, Trip
Sent: Sat Mar 15 22:57:11 2008
Subject: Fw: DF Internal call

Just saw this. Let me know if there are any "to do items"

See you in the am

----- Original Message -----
From: Foley, Trip
To: Nason, David; Steel, Robert; Ryan, Tony; Norton, Jeremiah; Appleton, Jesse; Stoltzfoos, Jeffrey
Sent: Sat Mar 15 22:30:02 2008
Subject: DF Internal call

Please dial-in for an internal DF team call at 10:30pm.

202-927-2255
PIN (b) (2)

Trip Foley
Special Assistant to the
Under Secretary for Domestic Finance

U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Steel, Robert

From: Steel, Robert
Sent: Saturday, March 15, 2008 11:19 AM
To: Hoyt, Robert
Subject: Fw: Conference Call Saturday March 15, 2:00 pm

Hi Bob..

If you can be on this call that would be great. Thx

Its this afternoon at 2:00.

Thx

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

From: West, Christal
To: Ridgway, Diana; Steel, Robert; Ryan, Tony
Cc: Appleton, Jesse
Sent: Fri Mar 14 19:16:18 2008
Subject: RE: Conference Call Saturday March 15, 2:00 pm

FYI - HMP said he and Geithner are talking at 10:00 am and 2:00 pm tomorrow, so HMP will most likely not be on this call.

Diana - FYI - no one uses the "Henry Paulson" email, so you don't need to worry about emailing to that in the future. thanks! cw

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:14 PM
To: 'patrick.m.parkinson@frb.gov'; 'kevin.m.warsh@frb.gov'; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org'; 'Terrence.Checki@ny.frb.org'; 'SirriE@sec.gov'; 'william.dudley@ny.frb.org'; Paulson, Henry; 'colbyr@sec.gov'
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
Subject: Conference Call Saturday March 15, 2:00 pm

Under Secretary Steel would like to convene a conference call to catch up on current developments. Please use Treasury's permanent bridge: 202-927-2255 Code (b) (2)

Steel, Robert

From: Hoyt, Robert
Sent: Saturday, March 15, 2008 11:26 AM
To: Steel, Robert
Subject: Re: Conference Call Saturday March 15, 2:00 pm

I'll be on.

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

From: Steel, Robert
To: Hoyt, Robert
Sent: Sat Mar 15 11:19:09 2008
Subject: Fw: Conference Call Saturday March 15, 2:00 pm

Hi Bob..

If you can be on this call that would be great. Thx

Its this afternoon at 2:00.

Thx

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

From: West, Christal
To: Ridgway, Diana; Steel, Robert; Ryan, Tony
Cc: Appleton, Jesse
Sent: Fri Mar 14 19:16:18 2008
Subject: RE: Conference Call Saturday March 15, 2:00 pm

FYI - HMP said he and Geithner are talking at 10:00 am and 2:00 pm tomorrow, so HMP will most likely not be on this call.

Diana - FYI - no one uses the "Henry Paulson" email, so you don't need to worry about emailing to that in the future. thanks! cw

From: Ridgway, Diana
Sent: Friday, March 14, 2008 7:14 PM
To: 'patrick.m.parkinson@frb.gov'; 'kevin.m.warsh@frb.gov'; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org'; 'Terrence.Checki@ny.frb.org'; 'SirriE@sec.gov'; 'william.dudley@ny.frb.org'; Paulson, Henry; 'colbyr@sec.gov'
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
Subject: Conference Call Saturday March 15, 2:00 pm

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Steel, Robert

From: Steel, Robert
Sent: Saturday, March 15, 2008 11:30 AM
To: Hoyt, Robert
Subject: Re: Conference Call Saturday March 15, 2:00 pm

Thx

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

From: Hoyt, Robert
To: Steel, Robert
Sent: Sat Mar 15 11:25:34 2008
Subject: Re: Conference Call Saturday March 15, 2:00 pm

I'll be on.

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

From: Steel, Robert
To: Hoyt, Robert
Sent: Sat Mar 15 11:19:09 2008
Subject: Fw: Conference Call Saturday March 15, 2:00 pm

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Stoltzfoos, Jeffrey

From: Norton, Jeremiah
Sent: Saturday, March 15, 2008 1:40 PM
To: Nason, David; Stoltzfoos, Jeffrey; Ugoletti, Mario

Floyd Norris's lead column on Bear in today's NYT ends by quoting Geithner's speech about need for consolidated supervision

Stoltzfoos, Jeffrey

From: Norton, Jeremiah
Sent: Saturday, March 15, 2008 1:47 PM
To: Nason, David; Ugoletti, Mario; Stoltzfoos, Jeffrey
Subject: Fw: nyt: F.D.R.'s Safety Net Gets a Big Stretch

TG point at end of article

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

From: jeremiah norton <jeremiah.norton@gmail.com>
To: Norton, Jeremiah
Sent: Sat Mar 15 13:45:46 2008
Subject: nyt: F.D.R.'s Safety Net Gets a Big Stretch

March 15, 2008
News Analysis

F.D.R.'s Safety Net Gets a Big Stretch

By FLOYD NORRIS <<http://topics.nytimes.com/top/news/business/columns/floydnorris/?inline=nyt-per>>

It was an old-fashioned bank run that forced Bear Stearns <http://topics.nytimes.com/top/news/business/companies/bear_stearns_companies/index.html?inline=nyt-org> to turn to the government for salvation on Friday. The difference is that Bear Stearns is not a commercial bank, and is therefore not eligible for the protections those banks received 75 years ago when Franklin D. Roosevelt <http://topics.nytimes.com/top/reference/timestopics/people/r/franklin_delano_roosevelt/index.html?inline=nyt-per> halted bank runs with government guarantees.

Bear was, instead, emblematic of a financial system that grew up over the last two decades, one that largely marginalized traditional banking and that enabled lenders to evade much of the regulatory framework that had also begun during the Roosevelt administration.

The new system enabled loans to be made by almost any financial institution with the money coming from the sale of increasingly complicated securities backed by the loans.

Regulators believed that the new system spread out the risk. Alan Greenspan <http://topics.nytimes.com/top/reference/timestopics/people/g/alan_greenSPAN/index.html?inline=nyt-per>, a former chairman of the Federal Reserve, said the system had transferred risk from banks — which he called "highly leveraged institutions" — to "stable American and international institutions."

It turned out he was wrong. Much of the risk had remained with commercial banks, but packaged in such a way that they were required to put aside fewer reserves to protect against losses. Much of the rest of the risk ended up with financial institutions that relied on their ability to borrow at low rates whenever they needed it.

"A sizable fraction of long-term assets — assets with exposure to different forms of credit risk—ended up in vehicles financed with very short-term liabilities," Timothy F. Geithner, the president of the Federal Reserve Bank of New York <http://topics.nytimes.com/top/reference/timestopics/organizations/f/federal_reserve_bank_of_new_york/index.html?inline=nyt-org>, said last week in a speech. "As is often the case during periods of rapid change, more significant concentrations of risk were present than was apparent at the time."

That risk has come to the fore in the last several months, as several mortgage companies and smaller financial institutions have failed. This week Carlyle Capital, a highly leveraged lender formed by the Carlyle Group, a private equity fund, collapsed. It had borrowed more than \$30 for every dollar of capital, and it could not meet demands from

lenders that it put up more cash even after it got a \$150 million loan from the Carlyle Group.

Bear Stearns, which boasts that it has never had a losing year in its 85 years, was plagued by rumors that it owned securities it could not sell and that it might be unable to borrow enough money to hold on to the securities.

In a conference call Friday, Bear's chief executive, Alan D. Schwartz, said that as rumors spread, customers became more nervous, "to the point where a lot of people wanted to get cash out."

At first, Bear could meet those demands, he said. "But they accelerated yesterday, especially late in the day, and as we got through the day, we recognized that at the pace things were going, there could be continued liquidity demands that would outstrip our resources."

Overnight, the Federal Reserve and JPMorgan Chase http://topics.nytimes.com/top/news/business/companies/morgan_j_p_chase_and_company/index.html?inline=nyt-org arranged to provide the cash Bear Stearns needed. Bear could not borrow directly from the Fed because it is not a commercial bank.

The Fed had seen such problems coming, and had announced plans this week to lend money to major dealers in Treasury securities — like Bear — by taking in as collateral mortgage securities that are now hard to sell.

By coincidence, the demands on Bear Stearns came on the 75th anniversary of the day when American banks reopened after the holiday declared by President Roosevelt when he took office. He assured Americans that only safe banks were being allowed to reopen, although there was no way he could really be sure.

The rescue of Bear is not permanent — the loans are for only a month — and there is an expectation that authorities will seek to arrange for Bear to be acquired, perhaps at a low price, or that it will be broken up and sold to more than one buyer.

Such an outcome could avoid systemic risk while leaving Bear's top executives without jobs and perhaps deflecting criticism that they had not had to face the results of their mistakes. Bear stock fell 47 percent on Friday; all of the decline came after the rescue was announced.

Deposit insurance largely ended runs at commercial banks, because depositors with less than \$100,000 in a bank believed they did not need to worry even if they heard rumors of trouble.

But when investors do not have such confidence — as in Britain last year, where deposit insurance covered only the first £2,000, or about \$4,000 — the rational response is to grab the money and ask questions later. That was one reason Northern Rock <http://www.nytimes.com/mem/MWredirect.html?MW=http://custom.marketwatch.com/custom/nyt-com/html-companyprofile.asp&symb=NHRKF>, a British bank, saw its depositors flee and in the end was taken over by the government.

Mr. Schwartz, Bear's chief, says his firm remains solvent. But such assurances are seldom credited during panics. As Walter Bagehot, the British financial journalist, wrote in "Lombard Street," a 19th-century book on the monetary system, "Every banker knows that if he has to prove that he is worthy of credit, however good may be his arguments, in fact his credit is gone."

At the bottom of the current crisis is a distrust of many financial institutions and securities that goes beyond Bear Stearns.

"This is a credit problem, not a liquidity problem," said William L. Silber, a finance professor at New York University http://topics.nytimes.com/top/reference/timestopics/organizations/n/new_york_university/index.html?inline=nyt-org who has written about the 1933 crisis.

"The root question is," he said, "Will mortgage borrowers be able to repay their debts? That risk and that uncertainty is still there, and that has brought into question all

sorts of credit exposure." He argues that because that question cannot be resolved soon, in the end the Treasury will have to do as it did in 1933, and issue broad guarantees.

Whether or not that happens, the government may have to revise its regulatory system, which, as Mr. Geithner noted, has "evolved into a very complex and uneven framework, with substantial opportunities for arbitrage, large gaps in coverage, significant inefficiencies and large differences in the degree of oversight and restraint upon institutions that engage in very similar economic activities."

He called for "a more uniform set of rules applied evenly across entities involved in similar functions," and added that "institutions that are banks, or are built around banks, with special access to the safety net, need to be subject to a stronger form of consolidated supervision than our current framework provides."

Friday's Fed move shows that investment banks have that "special access to the safety net," a fact that may lead to more regulation.

Steel, Robert

From: Steel, Robert
Sent: Saturday, March 15, 2008 1:56 PM
To: Kashkari, Neel
Subject: Fw: Conference Call Saturday March 15, 2:00 pm

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

From: Ridgway, Diana
To: 'patrick.m.parkinson@frb.gov' <patrick.m.parkinson@frb.gov>; 'kevin.m.warsh@frb.gov' <kevin.m.warsh@frb.gov>; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org' <Timothy.Geithner@ny.frb.org>; 'Terrence.Checki@ny.frb.org' <Terrence.Checki@ny.frb.org>; 'SirriE@sec.gov' <SirriE@sec.gov>; 'william.dudley@ny.frb.org' <william.dudley@ny.frb.org>; Paulson, Henry; 'colbyr@sec.gov' <colbyr@sec.gov>
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
Sent: Fri Mar 14 19:13:31 2008
Subject: Conference Call Saturday March 15, 2:00 pm

Under Secretary Steel would like to convene a conference call to catch up on current developments. Please use Treasury's permanent bridge: 202-927-2255 Code (b) (2)

Steel, Robert

From: Kashkari, Neel
Sent: Saturday, March 15, 2008 1:57 PM
To: Steel, Robert
Subject: Re: Conference Call Saturday March 15, 2:00 pm

Thx

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

From: Steel, Robert
To: Kashkari, Neel
Sent: Sat Mar 15 13:56:08 2008
Subject: Fw: Conference Call Saturday March 15, 2:00 pm

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

From: Ridgway, Diana
To: 'patrick.m.parkinson@frb.gov' <patrick.m.parkinson@frb.gov>; 'kevin.m.warsh@frb.gov' <kevin.m.warsh@frb.gov>; Ryan, Tony; Steel, Robert; 'Timothy.Geithner@ny.frb.org' <Timothy.Geithner@ny.frb.org>; 'Terrence.Checki@ny.frb.org' <Terrence.Checki@ny.frb.org>; 'SirriE@sec.gov' <SirriE@sec.gov>; 'william.dudley@ny.frb.org' <william.dudley@ny.frb.org>; Paulson, Henry; 'colbyr@sec.gov' <colbyr@sec.gov>
Cc: West, Christal; Taylor, Andrea; Matera, Cheryl
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Subject: Conference Call Saturday March 15, 2:00 pm

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Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 2:47 PM
To: Norton, Jeremiah
Subject: RE:

This dial-in we're using is apparently Hank's but I understand its a dedicated conference line. Do you know if I have to confirm future calls with some Treasury operator or something like that?

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

From: Norton, Jeremiah
Sent: Saturday, March 15, 2008 2:43 PM
To: Foley, Trip
Subject:

Pls add me to cc list for call info

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:02 PM
To: Stoltzfoos, Jeffrey
Subject: RE:

yeah.

isn't there like some treasury operator who is here 24hrs/day?

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

From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:59 PM
To: Foley, Trip
Subject: Re:

Do we need more than 15?

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

From: Foley, Trip
To: Stoltzfoos, Jeffrey
Sent: Sat Mar 15 14:55:55 2008
Subject: RE:

yeah - have a DF line but only 15 ports.

I'll email Marsha / Betty too - didn't realize they had a bbry

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

From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:53 PM
To: Foley, Trip
Subject: Re:

Check w marsha and betty - I'm pretty sure we also have a df line. Scogin may also know.

Keep me posted I can help you figure it out.

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

From: Foley, Trip
To: Stoltzfoos, Jeffrey
Sent: Sat Mar 15 14:49:15 2008
Subject: RE:

yup - no problem.

mechanical question: this is apparently Hank's dedicated conf. line. Do you know if I have to confirm future conference calls with some Treasury operator or something like that?

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

From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:46 PM
To: Foley, Trip
Subject:

I'm on the call too. Pls keep me in the loop. I'm not sure where this is heading in terms of work for us, so I want to stay in the loop. Thx

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:08 PM
To: Valentic, Marsha; Hunt, Betty Ann
Subject: Conference Call Help

Importance: High

If I need to use Hank's conference line again later today, do I need to post anyone in like an operator's office before doing that? Need more than the 15 ports on the DF conference line.

Hoping you guys have blackberries.....

Trip Foley

Special Assistant to the
Under Secretary for Domestic Finance

U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Steel, Robert

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:16 PM
To: Steel, Robert
Subject: RE: Call Attendees

ok - will do.

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

From: Steel, Robert
Sent: Saturday, March 15, 2008 3:14 PM
To: Foley, Trip
Subject: Re: Call Attendees

I would leave Hank off...

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

From: Foley, Trip
To: Steel, Robert
Sent: Sat Mar 15 14:53:51 2008
Subject: Call Attendees

Just wanted to check to see if you wanted to include Hank on the later call tonight or not. Below are the people I think who were on the call that just ended. I will send one email now to post that we will have a call at either 6 or 10, and then another email at 5 to confirm.

Paulson (via Christal West)
Steel
Nason
Ryan
Norton
Patrick Parkinson
Kevin Warsh
Timothy Geithner
Terrence Check
E. Sirri (at SEC)
Bill Dudley
R. Colby (at SEC)
Foley
Appleton
Stoltzfoos

Trip Foley
Special Assistant to the
Under Secretary for Domestic Finance

U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:17 PM
To: Stoltzfoos, Jeffrey
Subject: RE:

Also, do we need to include Valerie on any of these? Doesn't she have some PWG role?

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

From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:59 PM
To: Foley, Trip
Subject: Re:

Do we need more than 15?

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

From: Foley, Trip
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Sent: Sat Mar 15 14:55:55 2008
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yeah - have a DF line but only 15 ports.

I'll email Marsha / Betty too - didn't realize they had a bbry

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From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:53 PM
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Subject: Re:

Check w marsha and betty - I'm pretty sure we also have a df line. Scogin may also know.

Keep me posted I can help you figure it out.

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From: Foley, Trip
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yup - no problem.

mechanical question: this is apparently Hank's dedicated conf. line. Do you know if I have to confirm future conference calls with some Treasury operator or something like that?

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From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 2:46 PM
To: Foley, Trip
Subject:

I'm on the call too. Pls keep me in the loop. I'm not sure where this is heading in terms of work for us, so I want to stay in the loop. Thx

Steel, Robert

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:39 PM
To: Steel, Robert
Cc: Kashkari, Neel
Subject: RE: Follow-up Conference Call 3/15/08

Will do.

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

From: Steel, Robert
Sent: Saturday, March 15, 2008 3:36 PM
To: Foley, Trip
Cc: Kashkari, Neel
Subject: Re: Follow-up Conference Call 3/15/08

Trip.. Pls add Neel to these list ... Thx

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

From: Foley, Trip
To: Steel, Robert; Nason, David; Ryan, Tony; patrick.m.parkinson@frb.gov
<patrick.m.parkinson@frb.gov>; kevin.m.warsh@frb.gov <kevin.m.warsh@frb.gov>;
Timothy.Geithner@ny.frb.org <Timothy.Geithner@ny.frb.org>; Terrence.Checki@ny.frb.org
<Terrence.Checki@ny.frb.org>; SirriE@sec.gov <SirriE@sec.gov>; william.dudley@ny.frb.org
<william.dudley@ny.frb.org>; colbyr@sec.gov <colbyr@sec.gov>; Stoltzfoos, Jeffrey; Norton,
Jeremiah; Appleton, Jesse; Hoyt, Robert
Sent: Sat Mar 15 15:27:48 2008
Subject: Follow-up Conference Call 3/15/08

As a reminder, we will schedule a follow-up conference call at either 6pm or 10pm on Saturday March 15th. We will confirm the time by 5pm.

Dial-in information is below:

202-927-2255

PIN: (b) (2)

Trip Foley
Special Assistant to the
Under Secretary for Domestic Finance

U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 3:39 PM
To: Appleton, Jesse
Subject: RE: Follow-up Conference Call 3/15/08

yeah - we were fine. But I counted 15 by the end, so definitely good we used Secretary's bridge.

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

From: Appleton, Jesse
Sent: Saturday, March 15, 2008 3:36 PM
To: Foley, Trip
Subject: Re: Follow-up Conference Call 3/15/08

How many people were on? Were there enough lines?

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

From: Foley, Trip
To: Appleton, Jesse
Sent: Sat Mar 15 15:37:24 2008
Subject: RE: Follow-up Conference Call 3/15/08

yeah - was definitely unclear. Jeff didn't announce himself - just Norton

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

From: Appleton, Jesse
Sent: Saturday, March 15, 2008 3:35 PM
To: Foley, Trip
Subject: Re: Follow-up Conference Call 3/15/08

Got it. Tony had indicated principals only yesterday, so I didn't dial in. I will from now on.

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

From: Foley, Trip
To: Appleton, Jesse
Sent: Sat Mar 15 15:34:05 2008
Subject: RE: Follow-up Conference Call 3/15/08

Yeah - will do. And yeah - they were on. I actually didn't announce myself but at the end Bob asked if I was on so I spoke up - guess it was a good thing I joined.

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

From: Appleton, Jesse
Sent: Saturday, March 15, 2008 3:31 PM
To: Foley, Trip
Subject: Re: Follow-up Conference Call 3/15/08

Ok, thanks. Please keep me in the loop. I didn't dial in, but will for the next one. Did Jeff and Jeremiah partake? I don't want to over subscribe with staff...

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

From: Foley, Trip
To: Appleton, Jesse
Sent: Sat Mar 15 15:31:46 2008
Subject: RE: Follow-up Conference Call 3/15/08

yeah. was interesting and long - but nothing really definite yet. Sounds like people are still just doing more work so people wanted to set up another one later today.

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

From: Appleton, Jesse

Sent: Saturday, March 15, 2008 3:27 PM
To: Foley, Trip
Subject: Re: Follow-up Conference Call 3/15/08

Were you on the call? How was it?

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

From: Foley, Trip
To: Steel, Robert; Nason, David; Ryan, Tony; patrick.m.parkinson@frb.gov
<patrick.m.parkinson@frb.gov>; kevin.m.warsh@frb.gov <kevin.m.warsh@frb.gov>;
Timothy.Geithner@ny.frb.org <Timothy.Geithner@ny.frb.org>; Terrence.Checki@ny.frb.org
<Terrence.Checki@ny.frb.org>; SirriE@sec.gov <SirriE@sec.gov>; william.dudley@ny.frb.org
<william.dudley@ny.frb.org>; colbyr@sec.gov <colbyr@sec.gov>; Stoltzfoos, Jeffrey; Norton,
Jeremiah; Appleton, Jesse; Hoyt, Robert
Sent: Sat Mar 15 15:27:48 2008
Subject: Follow-up Conference Call 3/15/08

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202-927-2255
PIN: (b) (2)

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Special Assistant to the
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U.S. Department of the Treasury
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Washington, DC 20220
(T): 202-622-1258 | (F): 202-622-2362
Email: trip.foley@do.treas.gov

Smith, Bernetta

From: Kashkari, Neel
Sent: Saturday, March 15, 2008 3:47 PM
To: Steel, Robert
Subject: Re: Heads up..

Thx.

----- Original Message -----
From: Steel, Robert
To: Kashkari, Neel
Sent: Sat Mar 15 15:46:15 2008
Subject: Re: Heads up..

My hunch is Rodg is at office when I spoke to him very early today he said that where he was heading...

Contacts..
Office 212 558 3534
Cell (b) (6)
Cohenhr@sullcrom.com

----- Original Message -----
From: Kashkari, Neel
To: Steel, Robert
Sent: Sat Mar 15 15:42:15 2008
Subject: Re: Heads up..

Thx. Do you have rog cohen's contacts? I assume he's w alan etc. May be good to check in w him before I engage jpm. Hank called alan to say I was on my way

----- Original Message -----
From: Steel, Robert
To: 'mike.cavanagh@jpmchase.com' <mike.cavanagh@jpmchase.com>
Sent: Sat Mar 15 15:39:41 2008
Subject: Heads up..

Hi Mike...

Good luck with all the things going on.

A heads up, a Treasury colleague is coming over to plug in with your diligence work.. His name is Neel Kashkari he is a very good guy. Hopefully another good set of eyes and ears can be constructive .
Give a shout if I/we can do anything to help...pls pass on to Steve and Jamie.

Bob

Steel, Robert

From: Steel, Robert
Sent: Saturday, March 15, 2008 4:03 PM
To: Kashkari, Neel
Subject: Re: Heads up..

Another item..

Non-Responsive



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

From: Kashkari, Neel
To: Steel, Robert
Sent: Sat Mar 15 15:57:37 2008
Subject: Re: Heads up..

Just spoke w him. All good

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

From: Steel, Robert
To: Kashkari, Neel
Sent: Sat Mar 15 15:46:15 2008
Subject: Re: Heads up..

My hunch is Rodg is at office when I spoke to him very early today he said that where he was heading...

Contacts..
Office 212 558 3534
Cell (b) (6)

Cohenhr@sullcrom.com

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

From: Kashkari, Neel
To: Steel, Robert
Sent: Sat Mar 15 15:42:15 2008
Subject: Re: Heads up..

Thx. Do you have rog cohen's contacts? I assume he's w alan etc. May be good to check in w him before I engage jpm. Hank called alan to say I was on my way

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

From: Steel, Robert
To: 'mike.cavanagh@jpmchase.com' <mike.cavanagh@jpmchase.com>
Sent: Sat Mar 15 15:39:41 2008
Subject: Heads up..

Hi Mike...

Good luck with all the things going on.

A heads up, a Treasury colleague is coming over to plug in with your diligence work.. His name is Neel Kashkari he is a very good guy. Hopefully another good set of eyes and ears

can be constructive .

Give a shout if I/we can do anything to help...pls pass on to Steve and Jamie.

Bob

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 4:27 PM
To: Norton, Jeremiah
Subject: RE:

different group. if you call me I'll give you the 2 seconds. 202-622-1258

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

From: Norton, Jeremiah
Sent: Saturday, March 15, 2008 4:24 PM
To: Foley, Trip
Subject:

Is the 4:30 call replacing the 6 or 10 option -- or is this different group?

Foley, Trip

From: Foley, Trip
Sent: Saturday, March 15, 2008 5:03 PM
To: Stoltzfoos, Jeffrey
Subject: RE:

4pm for cap mkts

other one at 6 or 10. was going to confirm the time at 5.

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

From: Stoltzfoos, Jeffrey
Sent: Saturday, March 15, 2008 5:00 PM
To: Foley, Trip
Subject:

Call still going - I thought it was five?