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**From:** Lehman, David A.  
**Sent:** Tuesday, July 31, 2007 9:37 AM  
**To:** Sparks, Daniel L.  
**Subject:** FW: Margin Call to AIOI vs GSJCL (Margin ID 50440)

**Importance:** High

**Attachments:** RE: AIOI// Please give us Mid on SDB2013054517 i ( 760-02124) cob 7/20/2007  
**x-gs-classification:** Internal-GS

I want to post you live

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**From:** Lee, Jay  
**Sent:** Tuesday, July 31, 2007 7:54 AM  
**To:** Lehman, David A.; Creed, Christopher J; Williams, Geoffrey  
**Cc:** Chaudhary, Omar; Sugioka, Hirotsuka  
**Subject:** FW: Margin Call to AIOI vs GSJCL (Margin ID 50440)  
**Importance:** High

FYI, feedback from Aioi Insurance. Two main points: 1) our marks are more than twice as bad as the second worst dealer's, and all their positions are Super Senior (similar attachment/detachment) of HG ABS CDO's, and 2) it sounds like getting the margin call out of them will be an issue.

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**From:** Akamatsu, Shigeru  
**Sent:** Tuesday, July 31, 2007 6:36 PM  
**To:** Lee, Jay  
**Cc:** Chaudhary, Omar; Ozawa, Fumiko  
**Subject:** FW: Margin Call to AIOI vs GSJCL (Margin ID 50440)  
**Importance:** High

Jay,

I know we can do nothing at the moment as this is the company's policy, however, Suzuki-san of Aioi is very unhappy and even mad at our MTM. According to him, with regard to the similar exposures he has with our competitors(SS protection of ABS CDO), our MTM is more than twice as bad as others. He said that our margin call based on our MTM was totally unacceptable warned that he will strongly protest against us. Accordingly with CSA, I do not think they can resort to anything, but I want you to know that their frustration has been growing.

Regards,  
 Akamatsu

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**From:** Kameda, Kelko  
**Sent:** Tuesday, July 31, 2007 2:24 PM  
**To:** gs-credit-swap-tokyo; Akamatsu, Shigeru  
**Cc:** Stewart-Mallr, Oliver; ficc-bk-collateral; Yamamoto, Yumi  
**Subject:** Margin Call to AIOI vs GSJCL (Margin ID 50440)  
**Importance:** High

**Hi Akamatsu-san/ Credit,**

Mid price on SDB2013054517 is marked manually by NY trading, and latest mark cob 7/30 is USD 52.5mm from in GS's favor.

We've used this manual mid price for valuation use only, however, just noticed that based on this mark, we see call amount against AIOI.

Also, we noticed that we've missed margin call since 7/13/2007.

**CSA**

**Notification Date: Weekly Tuesday**

Valuation Time: 2 Tokyo Biz day prior to Notification Date (= Friday)

**Margin Calculation cob 7/30**

Exposure USD 52.5mm\*118.77 = 6,235,425,000

Threshold: JPY 2,000,000,000

Margin Required : 4,235,425,000

Call Amount after rounding : 4,240,000,000

Price from trading:



RE: AIOI// Please  
give us Mi...

The Mid NPV had been advised by NY trading from trade date till May month end 2007 on monthly basis for valuation purpose( 0 NPV till May month end)

Cob 6/29/2007, NPV moved to -4.5mm in GS's favor.\*\* No call

Cob 7/13/2007, NPV moved to -30mm in GS's favor ( JPY 3,660,600,000@ 122.02) Call amount = 1,665,000,000 \*\* We missed this call

**Pls advise if we can call margin based on 7/30's mark even it's not a valuation time, or should wait till next Monday to call margin based on cob Aug 3.**

**Akamatsu-san,  
please let us know the contact @ AIOI for margin purpose.**

Thank you