EXHIBIT 91

FILED UNDER SEAL

From: Prior, Ian: GFRM (NYK) [/O=BZW/OU=USA/CN=RECIPIENTS/CN=MARKETS/CN=PRIORI]
Sent: Sunday, November 04, 2007 5:00:16 PM
To: Pearson, Steve: GFRM (NYK); Wray, Justin: GFRM (NYK); Onbargi, Fouad: Structuring (NYK); Keegan, Mike : Barclays Capital
CC: Goettler, Peter: DCM (NYK); Wade, Michael :Structuring (NYK); Daniels, Reuben: IBD (NYK); Wadhawan, Harpreet: IBD (NYK); Piano, Robert: Asset Securitization (NYK)
Subject: RE: Bloomberg Proposal

Agreed, in any proposal we need to assume a high probability of ratings downgrades.

-----Original Message-----
From: Pearson, Steve: GFRM (NYK)
Sent: Sunday, November 04, 2007 11:56 AM
To: Wray, Justin: GFRM (NYK); Onbargi, Fouad: Structuring (NYK); Keegan, Mike : Barclays Capital
Cc: Goettler, Peter: DCM (NYK); Wade, Michael :Structuring (NYK); Daniels, Reuben: IBD (NYK); Wadhawan, Harpreet: IBD (NYK); Piano, Robert: Asset Securitization (NYK); Prior, Ian: GFRM (NYK)
Subject: Re: Bloomberg Proposal

Initial thoughts:

We do have substantial exposure to monolines in the Negative Basis book. We have been discussing the exposure with Group to determine appropriate Mandate and Scale limits. Given that these discussions are underway we will likely want to highlight this to Group.

Our credit view on the monolines is negative and we believe that the ratings could come under pressure in the next few quarters due to the exposure that they have to the ABS CDO market. This could complicate syndication efforts if the ratings go on watch. We are particularly concerned about Ambac and FGIC out of the top 4 monolines. I am not suggesting that we expect them to default, but that their AAA ratings might be difficult to sustain in the current ABS environment.

We may want to consider whether it is possible to buy some level of CDS on the monolines for exposure above a certain level (TBD). Given current CDS spreads of 300 to 400+ depending on the name this might not be feasible.

We can discuss further.
Regards
Steve

----- Original Message -----
From: Wray, Justin: GFRM (NYK)
To: Onbargi, Fouad: Structuring (NYK); Keegan, Mike : Barclays Capital; Pearson, Steve: GFRM (NYK)
Cc: Goettler, Peter: DCM (NYK); Wade, Michael :Structuring (NYK); Daniels, Reuben: IBD (NYK); Wadhawan, Harpreet: IBD (NYK); Piano, Robert: Asset Securitization (NYK)
Sent: Sun Nov 04 10:03:05 2007
Subject: RE: Bloomberg Proposal

Given exposure to monolines, we'd need Steve Pearson's feedback on capacity, given issue I'd highlighted at SFCC originally. His team is covering this trade from a GFRM perspective as they have coverage responsibility for Ambac and MBIA and are equally familiar with securitization structures.

Steve, any initial thoughts?

-----Original Message-----
From: Onbargi, Fouad: Structuring (NYK)

Sent: Saturday, November 03, 2007 8:10 PM
To: Keegan, Mike : Barclays Capital; Wray, Justin: GFRM (NYK)
Cc: Goettler, Peter: DCM (NYK); Wade, Michael :Structuring (NYK); Daniels, Reuben: IBD (NYK); Wadhawan, Harpreet: IBD (NYK); Piano, Robert: Asset Securitization (NYK)
Subject: RE: Bloomberg Proposal

Mike/Justin

We have been approached by Bloomberg to increase our participation in their up-coming conduit securitization from $500mm to $2 billion as a result of Citi's inability to commit to the deal in size (Citi was asking for greater economics than was being paid to existing lead banks DB and BofA each of whom has committed to this deal at the $2 billion + level). As you may recall, this is a BBB/Baa2 structured transaction enhanced to AAA/Aaa via monoline insurance (syndicate of MBIA, AMBAC, FGIC, Assured and XL). They have increased the fees to COF + 60 and are offering "Joint structuring agent" title in addition to larger up-front economics.

We have been discussing the request as a group and set out below are the terms that we believe we should revert with which make a $2 billion commitment feasible in this environment. Peter has asked that we get your views given prior SFCC approval was at the $500mm level.

Funding Limits:

* No more than $1 billion could be drawn in 2007
* Draws should be staggered and entire quantum needs to be drawn before Dec. 15th
* Starting in 2008, we would draw remaining balance in acc with schedule TBD

Fees:

* No change in offered running revenue at COF + 60
* Increase offered up-fronts from 40 bps to 60 bps

Syndication Rights:

* We would have the right to syndicate to other conduits (no term ABS) post closing
* All conduits would sign Confi's and we would expect to start with relationship banks (but should have flex to reach out to conduits beyond BB's bank group)
* We would expect to syndicate back down to $500 mm to $750 mm over the course of 2008
* We would pay upfronts to any conduit co-purchasers out of our upfront fees

Credit/Structural Enhancements:

* Ensure 4.5 x leverage (D to EBITDA) is a test applied at SPE level and not consolidated parent/SPE level
* Either improve Debt Service Coverage Ratio triggers (increase Rapid Am and Event of Default trigger levels) or tweak definition to ensure that principal in amortization is adequately covered.

Let me know if you have any questions. We are available to discuss tomorrow.

<u>EXHIBIT 92</u>

FILED UNDER SEAL

From: Dickinson, Lawrence: Barclays PLC [/O=BZW/OU=EUROPE/CN=BARCLAYSGROUP/CN=RETAIL.LAWRENCE.DICKINSON]
Sent: Wednesday, December 05, 2007 6:25:52 PM
To: Lucas, Chris: Barclays PLC; Ricci, Rich: Barclays Capital
CC: Le Blanc, Robert: Group Risk (LDN); Varley, John: Barclays PLC; Diamond, Bob: Barclays Capital
Subject: Board Risk Committee Report
Attachments: Dec BRC Report.doc

Chris, Rich,

This is the report of this morning's Risk Cttee that will be tabled at Board tomorrow. Robert and I have liaised on the table and Richard has made some amendments to the wording of the report. He has asked that we quote the figures on additional write downs in dollars to be consistent with the figures in the table which are also in dollars. Please let me know if you have any major concerns on the report.

Lawrence

Dec BRC Report.doc

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10.29.15 AV

PAPER FOR BOARD MEETING ON THURSDAY 6 DECEMBER 2007

Agenda Item No.

1.4(4)

TO:	The Directors
FROM:	Sir Richard Broadbent
DATE:	6 December 2007
SUBJECT:	REPORT OF THE BOARD RISK COMMITTEE MEETING ON 5 DECEMBER 2007

The Board Risk Committee met on Wednesday 5 December 2007.

Update on Leveraged and Sub-Prime Credit Markets

We received a detailed report on current market conditions and our exposures. Since the Trading Update on Barclays Capital performance to end October was issued, the ABX Indices, which are based on sub-prime securities, have fallen by as much as 10% in November. There have consequently been further write downs of $800m, sub-divided as follows :

NIMS / Post NIMS	$250m
Retained / Warehouse positions	$300m
Super Senior ABS CDOs (High Grade and Mezzanine)	$200m
Whole Loans	$50m

The above write-offs have been partially off-set by a $400m benefit from Own Credit in November.

The indices did rally towards the end of the month and the opportunity was taken to hedge a further $1.5bn of exposure. The table below shows the movements in gross and net exposure since September in the same format that I used in reporting then:

Asset Backed Securities

Our gross exposure (i.e. before taking account of collateral) can be summarised as follows:

	Sept 19 $m	Oct 22 $m	End Nov $m
US Sub-Prime Residential Mortgage Exposure			
Financing of US Sub-prime Residential Mortgages	502	0	0
Whole Loans Purchase and Securitisation	7,517	6,333	6,267
Post-NIM Residuals			
- cost basis	1030	803	719
- stress test loss basis	491	307	
CDO Warehousing	1,554	1,319	1,196
Backstop/Liquidity			
Barclays sponsored conduits	500	0	0
Third party conduits	198	331	545
Super senior tranches of CDOs*	4,942	8,316	8,200
Synthetic liquidity facilities	4,025	3,987	3,575
** Total facility is up to $8,454*			
SIV/SIV-lites			
Drawn Backstop liquidity	298	298	298
SIV Derivative exposure	362	452	522

The figures above reflect gross write-downs totalling $3,458m as at end October and rising to $4,286m as at end November. Hedges have increased from $1,898m as at end October to $3,451m as at end November.

Barclays Capital has undertaken stress testing on the Super Senior ABS CDO book. This reflects a one in twenty stress from the current position and would result in an additional $2bn loss.

The Leveraged Finance Portfolio has increased from £7.5bn at end October to £8.7bn as a result of new business being written. The volatility in the sub-prime market is not being seen in this sector and we are comfortable with the credit quality of these assets.

The Group's counterparty exposures remain broadly unchanged in the order of $14bn and none are giving significant cause for concern at present.

The anticipated shift of approximately $20bn of assets onto our own balance sheet has taken place. It is not anticipated at present that further significant assets will come onto the balance sheet directly as a result of market conditions.

A potential new area of concern is the exposure to monoline insurers. These insurers guarantee the cash-flow associated with the underlying instruments they support, of which a small proportion comprise sub-prime assets. Credit equivalent exposure to these monolines is $7.8bn. The primary source of risk arises from any potential downgrade of the insurers although this risk is already largely reflected in widened credit spreads.

Finally we noted that market risk is emerging in BGI in two respects:

- Potential capital injections for reputational reasons to keep whole certain money market funds. Our exposure might be of the order $200-300million.
- The need to respond to potential downgrades in Citigroup SIVs where held by BGI funds. It is not possible to quantify yet this exposure, if any.

Group Risk Profile Report

We also discussed the regular Group Risk Profile Report, the main points of which are covered in the Quarterly Risk Report, which you have received with your Board papers. The Board should note that the Committee ratified the increase in Wholesale Expected Loss (impairment), which is currently £1,048m. This compares to £515m for Wholesale Expected Loss in the Risk Appetite for 2007 approved by the Board and the Committee in December last year. The increase reflects the increased wholesale impairment in sub-prime in Barclays Capital. There are no other specific issues arising from the report to draw to your attention.

Forward Risk Trends

We received a new report setting out an assessment of those risk areas where the environment is changing significantly or where growth rates are increasing. The main areas we discussed were FirstPLUS, Absa and Emerging Markets, in particular, India. The report was useful in focusing attention on potential future risk issues. It is intended that this report will be produced semi-annually.

Risk Appetite

We agreed to recommend the Risk Appetite for 2008 to the Board for approval. A separate paper sets out the recommendation in more detail.

Basel II

We received an update on the Basel II programme, which has just completed its fourth parallel run (PR4). Under PR4, total Risk Weighted Assets have increased to 101% of Basel I. We continue to work with the FSA on some outstanding items, including the treatment of pension risk and private equity, but it is clear that there is unlikely to be any reduction in capital demand.

Annual Review of Policies

We reviewed the FSA Required Policies in respect of Credit Impairment, Large Exposures, Liquidity and the Trading Book, as we are required to each year. No material changes to the policies were proposed and we approved the revised policies. We also considered and adopted some minor amendments to the Principal Risks Policy.

<u>EXHIBIT 93</u>

FILED UNDER SEAL

PAPER FOR BOARD MEETING ON THURSDAY
6 DECEMBER 2007

Agenda Item No.

TO: The Directors

FROM: Robert Le Blanc

DATE: 29th November 2007

SUBJECT: QUARTERLY RISK UPDATE

This paper summarises some key themes that are playing out across markets, especially in financial institutions, and also provides our regular update of internal risk positions.

Liquidity and Funding
Interbank rates in the UK, US and Europe remain significantly above central bank intervention rates despite assurances by both the Fed and the ECB that they intend to keep markets liquid over the year end. The ECB is making weekly liquidity injections whilst the Fed has stated it will lend a larger-than-usual $8bn to banks on a secured basis over December. No statements have been made to date by the Bank of England. Barclays liquidity position remains strong.

The US Thanksgiving holiday typically marks a slowdown in new bond issuance and a fall-off in secondary market activity. This has been exacerbated by many ABS investors putting reinvestments on hold and retaining cash from redemptions. Unusually, covered bonds recently saw a three-day suspension in bank-to-bank trading. New issues are in effect off-limits and even dependable names (e.g. HBOS) are trading at spreads four times wider than normal. Banks' access to longer-term secured and subordinated funding thus remains constrained.

Balance Sheet Growth and Capital Ratios
The combination of sub-prime and other write-downs, taking trading assets onto the balance sheet, and the leveraged loan overhang have started to put pressure on capital ratios across the industry. Citigroup's Tier-1 capital ratio fell from 7.9% to 7.3% between Q2 and Q3 and it has since announced a $7.5bn capital infusion from the Abu Dhabi Investment Authority. Freddie Mac is also seeking to raise $6bn in new capital.

While some new capital is flowing into the system, banks are responding to pressure on their ratios by reining in lending and investment activity, posing a potential threat to economic growth. This in turn creates a dilemma for central banks – particularly the Fed – as the appropriate response would be to lower rates. Against the backdrop of a weak US dollar, however, lower rates risk higher inflation. Historically, both equity and bond markets have performed poorly in this scenario.

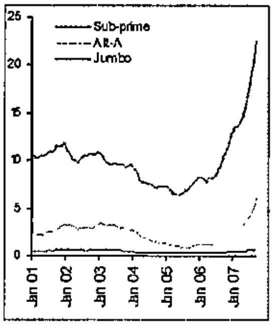
Mark-to-Market Valuation
The rapid deterioration in liquidity and valuations across all structured credit instruments (e.g. CDOs of corporate credit containing no sub-prime) and leveraged loans has led to a view that current prices do not reflect true or "fair" value, but simply the lack of liquidity driven by forced sales. For many securities, actual and expected default rates remain low by historical standards, lending support to the view that mark-to-market valuation may be exacerbating the current crisis.

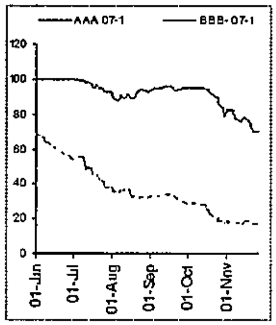
Barclays Risk Appetite and Impairment
The full-year forecast for Group impairment is now £2,645m. This is 5% above our risk appetite for impairment losses in 2007 although we remain within appetite on our other measures. Favourable YTD performances from UKRB, BCB, Barclaycard and Absa have been more than offset by the £618m charge at BarCap in Oct 07. The Group's loan loss rate has risen from 0.52% at the half-year stage to 0.68% at Oct 07, where it is expected to finish the year.

Wholesale Credit Risk
Environment: Corporate credit quality has remained broadly stable so far in 2007 and default rates from large corporate clients remain at historically low levels, although the BarCap WatchList is sharply up as a number of counterparties (mainly financial institutions) have been impacted by the turbulence in credit markets. In GRCB as a whole, credit metrics are stable and impairment remains within Plan. However, the Spanish property sector continues to slow and as a result, we have seen some rising impairment and EWLs.

US Mortgage Delinquencies (% accounts 60-day+) **Sub-Prime Indices, H2 07** (ABX prices, selected tranches) **Sub-Prime Market Developments**

EXHIBIT RME
403
10/30/15





- US sub-prime delinquency rates have continued to rise and the numbers of sub-prime mortgages rolling on to higher-rate products (a key factor in delinquency) is expected to remain high until H2 08, peaking in Mar 08.
- The high level of rating agency downgrades has continued and concerns have shifted to potential losses on super senior positions.
- We do not expect any significant improvements in the sub-prime markets before then.

Sub-Prime: We reduced our net exposure to sub-prime by £3.5bn to £10.4bn between June and October through hedging and other risk management activity as well as the conservative, forward-looking valuation of positions and underlying assets, leading to significant write-downs of £1.7bn.

SIVs and SIV-Lites: Our limited back-stop funding lines to SIV-Lite structures have been drawn as CP investors have decided not to roll their lending. We were easily able to fund these positions, and the asset quality was generally acceptable though write-downs of £0.1m were taken against the sub-prime elements. The SIVs to which we provide CP back-up have very little exposure to sub-prime and no SIV lines were drawn at the end of October. Our total exposure to SIVs is about £700m.

Barclays Conduits: Barclays own asset-backed CP conduits (Sheffield, Surrey, Sussex) contain modest amounts of sub-prime assets, and their commercial paper has continued to roll. At the end of October, there were no drawings under liquidity lines to our own conduits.

Monoline Insurers: Shares in monolines have fallen heavily during 2007 on speculation of significant losses on credit protection sold and potential ratings downgrades, given that Monolines depend on maintaining a AAA rating because a downgrade would require them to raise more capital or restrict underwriting. The agencies have put one of the smaller monolines (CIFG) on negative watch and have yet to confirm their ratings since the latest downturn in the sub-prime market. Barclays has approximately US$3bn of positions relating to sub-prime that are guaranteed by the monolines. We are not exposed to CIFG and are closely monitoring our exposure to other monolines.

Leveraged Finance: Since end-October, our leveraged finance positions have risen moderately to £8.7bn as we have begun to do a small number of club-type deals in the US. We have not seen any further write-downs. Secondary liquidity is still poor.

Retail Credit Risk

Environment: Across the UK, credit card delinquency rates as shown by securitisation data have been stable and our performance has been in line with these. Levels of personal insolvency have fallen, reflected in a fall in Barclaycard charge-offs due to bankruptcy. House repossessions are rising in the UK, albeit from historically low levels and not for our portfolio. In South Africa, industry-wide delinquency rates have risen as interest rates have climbed to 14%. While this trend is reflected in Absa delinquencies, our loan loss rates remain at the low end of the industry. Barclays retail growth plans remain on target and most retail businesses expect to report full-year impairment within Plan.

Barclaycard: BBC's new application quality remains strong and improved impairment performance has continued beyond Q3. We have seen lower flows into all cycles of delinquency and charge-off, although there has been an increase in repayment plan balances. The business focus is to grow balances through targeted credit line increases to our best customers. Our US portfolio continues to grow strongly and is expected to end 2007 with £3bn of receivables, 50% higher than FY 06. Delinquency levels have risen due to recent minimum payment legislation and a weakening economic environment and we remain alert to the potential sub-prime impact. In Western Europe, delinquencies in the Spanish, Portuguese and Italian businesses are on a rising trend. Mitigating actions to improve collections and high-risk account management have been put in place.

UKRB: Asset quality remains strong, supported by house price growth over many years, which has ensured that our back book is well-secured. Combined with our strategic concentration on the prime market, this has contained losses at historically low levels. Although signs of a slowdown in the UK housing market are emerging, the business has achieved record mortgage completions in both the residential and BTL portfolios.

Emerging Markets: The launch of the Indian retail proposition and new unsecured loan and card products across the region has led to significant balance growth in 2007, driven by an expanding branch network and the continued recruitment of Direct Sales Agents (DSAs). We expect to end the year with a total of 20,000 DSAs operating across Africa, the Middle East and Asia. Overall delinquency rates are in line with the expansion phase of the business model. As the portfolios are still immature, our focus is to build our risk capability through technology and enhanced analytics.

Absa: Delinquency levels continue to deteriorate, driven by external economic pressure. Interest rates have risen by 350bp since Jun 06, taking the prime lending rate to a three-year high of 14% and causing house price growth to slow. More rate rises are expected in Dec 07 and Feb 08. We have moved to improve new customer quality by revising underwriting and application rules.

FirstPlus: Average delinquencies and monthly charge-offs have stabilised. However, taking into account the higher interest rate environment and other weaker external factors, we expect impairment to finish the year about £15m adverse to Plan. Because we remain concerned about the high LTV segment in this business given current market conditions, we have continued with a number of business initiatives aimed at mitigating impairment, such as the outsourcing of collections and a tightening in underwriting policy.

Market Risk

Environment: While there has been some deal flow within the credit markets, volumes are well down on normal levels. Credit market turbulence has now impacted equity markets, with the Dow lower by 1,000 points from the record high seen in early October. Implied volatility has again turned higher, reversing the fall seen in some markets during September and October. There has been evidence of the carry trade unwinding, brought on by a stronger yen, while some Middle Eastern currencies now pegged to the dollar may revalue to limit the inflationary impact of the falling dollar.

Barclays Capital DVaR and Stress: Average BarCap DVaR increased by £3m (to £43m) in the three months to October 07, with increased volatility and wider spreads causing spread and specific risk to rise. Diversification across risk types remains high, with no individual risk factor dominating the direction of DVaR.

There were some modest, temporary DVaR limit increases in FX, Equities and Spread Risk. FX and Equities limits have returned to their lower, permanent level with the Spread Risk limit planned to reset at the end of November. Portfolio risk is well within approved limits. There have been two short-term (minor) stress breaches in Commodities and Credit. Most stress results have fallen in recent months reflecting cautious positioning with the credit stress falling from its high of £284m in early July to the current £150m. Commodities risk appetite remains strong, with both DVaR and stress measures regularly showing utilisation above 80%.

BGI: Weaker valuations in sub-prime and SIV markets have begun to affect the valuations of cash funds, some of which hold these assets. Several of BGI's competitors have intervened to prevent their cash funds from "breaking the buck" and falling below a NAV of 1.00. As at 15th November, BGI managed $233bn of cash funds, of which about 8.6% ($20bn) was in SIV-related ABCP, with 2.4% ($6bn) in Alt-A/HELOC assets and 1.6% ($4bn) in sub-prime assets. In line with the industry convention, BGI is not committed but would normally expect to protect fund NAV. This implies a current shortfall of about $100m, if BGI were to protect the fund to a value of 99.51%.

UK Retirement Fund: The IAS19 surplus increased to £1.2bn at end-October from £0.8bn three months earlier as scheme asset values recovered, corporate bond yields rose (used for the discounting of scheme liabilities) and the bank made a £350m contribution. The actuarial funding position shows a surplus of £1.3bn although the triennial valuation is expected to revise the discount and longevity rates; these are likely to result in a significant deterioration in this position.

Financial Crime

Fraud losses: Net reported fraud losses as at end-October were £104m, against Plan of £135m and a FY 06 total of £209m. Our ranking in online fraud loss tables has improved from 1st (worst) for the nine months to Sep 06, when our losses accounted for 56% of the banking industry total, to 6th for the same period in 2007 (12% of the total). However, we are seeing early signs of rises in telephony fraud, particularly around Premier customers, as criminals target alternative channels.

HMRC data losses: On 20th November, the UK government announced it had lost personal data on 25m people. The difficulty arose because the HMRC had inadequate policies and controls over data access and download, did not encrypt the data, desensitise it, or send it via a secure, same-day courier. The lost data included account details of 800,000 Barclays customers.

Before the government announcement, we advised HMRC on how to work with banks to respond as quickly as possible and minimise public distress. On the same day that details of affected accounts were passed to us, we flagged them to prompt our own additional security controls. We also altered the questions asked during ID checks to exclude the data lost. We will monitor activity surrounding these accounts for any unusual behaviour.

Sanctions: The review of sanctions challenges continues under Project Spring and we now plan to investigate earlier batches of payments.

Operational Risk

All operational risk metrics remain stable. Risk events as a percentage of revenues fell to 1% for the 12 months to October compared with 2.6% in 2006, due mainly to a smaller number of events over £1m. . There has been one new top-ten internal risk event since February, relating to reconciliation differences of mercantile debt sold in 2004 (£5m). As expected, UKRB customer complaints began to fall in Q3 following the completion of the Woolwich integration project.

EXHIBIT 94

FILED UNDER SEAL

From:	Ting, Eileen: Financial Control (LDN) [/O=BZW/OU=EUROPE/CN=LDN AD USERS/CN=USERS/CN=TINGEIL]
Sent:	Tuesday, January 22, 2008 10:17:18 AM
To:	Diamond, Bob: Barclays Capital; Ricci, Rich: Barclays Capital; Spinale, Anthony: Barclays Capital; Clackson, Patrick: Finance (LDN); Copson, Paul: Finance (LDN); Syal, Vivek: Finance (LDN)
CC:	Reynolds, Allana: Barclays Capital (LDN); Johnson, Denise: Finance (LDN); Shipley, Debbie: Barclays Capital (LDN); Stanley-Johns, Jacqui: Barclays Capital; Sherwood, Helen: Barclays Capital (LDN); Brown, Polly: Product Control (LDN)
Subject:	Finance Committee Papers - 22 January 2008 (11.30-12.00 London Time)
Attachments:	FinCom 22.01.pdf; Monoline Risk Tendency.pdf

Dear All,

Please find attached the papers for this morning's Finance Committee meeting. Please print the papers in colour if possible.

These documents are classified as **restricted distribution**.

Finance Committee Papers

FinCom 22.01.pdf

Attachment
Section 9 - Monoline exposure

Monoline Risk
Tendency.pdf

Kind regards
Eileen

Eileen Ting
Financial Planning & Analysis
Barclays Capital
5 The North Colonnade
Canary Wharf E14 4BB
Tel ++44 (0)20 3134 1182

EXHIBIT NO. 474
DATE: 11/13/15
Reporter - Laurie A. Collins

BARCLAYS CAPITAL

Finance Committee Meeting

FINANCE COMMITTEE AGENDA

Date:	22 January 2008
Attendees:	Bob Diamond, Rich Ricci, Anthony Spinale, Patrick Clackson, Paul Copson, Viv Syal, Charles Russon (item 1)
Venue:	RED's Conference Room
Time:	11.30 - 12.00 London Time

Dec - '07 MTD	Dec - '07 Δ Bud	ZAR' Millions	YTD Dec 2007 YTD	Δ Bud	Δ PY	Δ PY
217	146	Primary Markets	965	113	333	53%
94	29	SCM	805	22	362	82%
53	26	Investor Services & Equity Investments	820	495	368	81%
155	51	Secondary Markets	1,424	174	655	85%
(50)	(47)	Management (incl. NI, ZCP and Acquisition Adj.)	(266)	(227)	(187)	
469	**204**	**Revenue**	**3,749**	**577**	**1,531**	69%
1	**1**	**Impairment**	**(1)**	**(1)**	**(3)**	
469	**205**	**Net Revenue**	3,748	576	1,528	69%
(111)	13	Expenses	**(1,562)**	**(70)**	**(227)**	(17%)
(96)	(0)	Staff Costs & Operating Expenses	(1,181)	(31)	(96)	(9%)
(15)	13	Incentives	(381)	(39)	(131)	(52%)
358	**218**	**Profit Before Taxation**	**2,186**	**506**	**1,301**	147%
12.5		GUTS	297.2			

Dec - '07 MTD	Dec - '07 Δ Bud	GBP ' Millions	YTD Dec 2007 YTD	Δ Bud	Δ PY	Δ PY
34	15	Revenue	266	39	88	49%
0	0	Impairment	(0)	(0)	(0)	
34	**16**	**Net Revenue**	**266**	**39**	**88**	49%
(8)	1	Expenses	(111)	(4)	(4)	(3%)
26	**16**	**Profit Before Taxation**	**155**	**35**	**84**	118%
13.643	14.010	FX Rates	14.106			
0.9		GUTS	21.1			

WTD 18 Jan - Flash	£m	YTD 18 Jan	PY	Δ PY
	Global Markets			
12	Portfolio	62	0	62
46	Fixed Income Rates	140	53	87
4	Fixed Income Credit	15	23	(8)
50	Fixed Income Total	155	76	79
16	Foreign Exchange	44	20	24
5	Equities	26	41	(15)
(12)	Distressed	(18)	3	(20)
3	Risk Finance	5	2	3
(1)	Principal Credit	7	6	1
22	Portfolio Management	57	18	39
12	Principal Credit Total	51	29	22
10	Emerging Markets Rates	31	11	21
10	Emerging Markets Credit	21	10	11
20	Emerging Markets Total	53	21	32
(25)	Commodities	11	99	(88)
13	Prime Services	29	13	16
(1)	Management	0	1	(1)
101	Total	432	300	132
	Primary Credit Products			
5	Primary Bonds	11	20	(9)
4	Global Loans	15	15	0
1	CMBS	5	5	(1)
1	Conduit	3	3	0
2	HomEq	6	8	(2)
-	EquiFirst	0	-	0
-	GCP - Management	-	(2)	2
13	Total	40	49	(9)
(10)	Portfolio Asset Book	(25)	5	(30)
4	Principal Investments	11	16	(5)
7	Structuring	17	20	(3)
4	Absa Capital	12	7	5
(1)	IUR	(4)	12	(16)
4	Shared Services	10	9	2
122	Income	493	418	75
(17)	Impairment	(19)	(1)	(18)
105	Net Income	474	417	57
	Δ MTD Budget Net Income	100		

Dec - 07 MTD	Dec - 07 Δ Bud	Dec - 07 Δ PY	£m	YTD Dec - 07 YTD	YTD Dec - 07 Δ FinCom 10th Jan	YTD Dec - 07 Δ Bud	YTD Dec - 07 Δ PY	YTD Dec - 07 Δ PY	H2'07 H2'07	H2'07 Δ Bud	H2'07 Δ PY
657	78	278	Income	7,112	(50)	167	845	13%	2,958	(5[illegible]3)	5%
(183)	(168)	(181)	Impairment	(640)	3	(743)	(798)		(829)	(74[illegible])	
474	(90)	97	Net Income	6,272	(47)	(576)	47	1%	2,129	(1,254)	(26%)
(153)	46	35	Non Performance	(2,100)	2	161	(226)	(12%)	(1,082)	96	(11%)
25	45	85	LTIP	(165)	35	75	219		35	155	
(11)	3	(11)	NI	(136)	-	26	14		(35)	46	
(19)	11	3	GBs	(171)	-	18	10		(102)	37	
(88)	55	(111)	Discretionary	(1,400)	10	261	20		(306)	550	
(245)	160	2	Operating Expenses	(3,972)	47	541	37	1%	(1,489)	883	21%
-	-	-	JV's and associates	35	-	35	35		35	35	
228	70	99	PBT	2,335	0	1	119	5%	675	(336)	(30%)
82	19	(14)	Economic Profit	1,163	(11)	1	(18)	(2%)	194	(230)	(62%)
52%	20%	14%	Cost: Net Income	63%	0%	3%	1%		70%	0%	(4%)
38%	16%	(1%)	Compensation: Net Income	47%	1%	3%	2%	2%	46%	7%	3%
395	(76)	28	Ave Net Income per FTE [1]	466	(3)	(47)	(109)	(19%)	296	(190)	(42%)
18%		(35%)	ROEC	32%	0%		(9%)		16%		(21%)
25%		(4%)	RORC	22%	1%		(4%)		12%		(9%)
54.0	1.0	(15.7)	Ave DVaR	42.0	(0.4)	13.0	(4.7)	(13%)	46.9	8.1	(23%)
			Published WRA (£bn)	169.2	(2.0)	(1.9)	(31.6)	(23%)			
			External Assets (£bn)	839.0	4.6		(181.1)	(28%)			
			Real Assets (£bn)	566.0	3.1		(67.6)	(14%)			
			Economic Capital (£m)	5,300	(150)	(100)	(1,550)	(41%)			
			Published Headcount	16,231	-	(526)	(3,020)	(23%)			

[1] Excludes contribution and headcount from HomEq and Equifirst

£m	Expected 31 Dec	Δ 10 Jan Fincom	Δ Bud	Δ PY	Δ PY %	Δ PY Ex Reserve Releases / One off items	Δ PY % Ex Reserve Releases / One off items	Reserve Releases / One off Items
Global Markets								
Portfolio	259	-	84	45	21%	2	1%	43
Fixed Income Rates	1,205	-	255	390	48%	320	39%	70
Fixed Income Credit	(467)	8	(919)	(814)	(234%)	(953)	(274%)	139
Fixed Income Total	738	8	(665)	(424)	(36%)	(633)	(54%)	209
Foreign Exchange	477	-	127	147	44%	129	39%	18
Equities	664	(1)	114	113	21%	29	5%	84
Distressed	(6)	(1)	(71)	(29)	(127%)	(29)	(127%)	
Risk Finance	86	1	76	56	190%	56	190%	
Principal Credit	7	(1)	(16)	3	70%	3	70%	
Portfolio Management	500	-	140	141	39%	59	16%	82
Principal Credit Total	587	(1)	127	171	41%	89	21%	82
Emerging Markets Rates	177	(0)	(3)	49	38%	46	36%	3
Emerging Markets Credit	102	(5)	(45)	(38)	(27%)	(38)	(27%)	
Emerging Markets Total	280	(5)	(48)	11	4%	8	3%	3
Commodities	898	(1)	158	138	18%	24	3%	114
Prime Services	416	9	86	123	42%	111	38%	12
Management	(175)	-	(160)	(113)	n/m	(169)	271%	56
Total	**4,145**	**11**	**(175)**	**212**	**5%**	**(409)**	**(10%)**	**621**
Primary Credit Products								
Primary Bonds	600	-	140	198	49%	22	5%	176
Global Loans	376	1	(64)	1	0%	(3)	(1%)	4
CMBS	134	-	(11)	19	17%	(3)	(2%)	22
Conduit	7[illegible]	-	(4)	8	12%	8	12%	
HomEq	149	-	2	123	496%	89	352%	34
[illegible]	27	1	27	27	n/m	[illegible]	[illegible]	37
GCP - Management	(14)	-	1	(14)	n/m	(14)	n/m	
Total	**1,344**	**3**	**91**	**363**	**37%**	**95**	**10%**	**268**
Portfolio Asset Book	(1,393)	(157)	(1,423)	(1,408)	n/m	(1,408)	n/m	
Principal Investments	784	-	290	73	10%	14	2%	59
Structuring	724	-	8	209	41%	98	19%	111
Absa Capital	266	(2)	54	87	49%	69	39%	18
IUR	272	(2)	542	558	n/m	51	(18%)	507
Shared Services	1,004	96	814	783	n/m	183	83%	600
Associates & JV reclass	(35)	-	(35)	(35)	n/m	(35)	n/m	
Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,189
Impairment	(840)	4	(743)	(798)	n/m	(841)	n/m	43
Net Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Net write downs per Trading Update disclosure

£m	H1 07	H2 to Oct	Nov	Dec	H2 07	2007
ABS CDO Super Senior		(1,124)	(205)	(23)	(1,352)	(1,352)
Other Sub-prime	(127)	(473)	(350)	(247)	(1,070)	(1,197)
SIVs/SIV-lites		(70)	-	-	(70)	(70)
Leveraged Finance		(82)	-	-	(82)	(82)
Own credit		420	233	5	658	658
Credit reserve releases		-	-	140	140	140
Per Trading Update	**(127)**	**(1,329)**	**(322)**	**(126)**	**(1,776)**	**(1,903)**
<u>Potential offset options</u>						
HomEq	64	34	44	12	91	155
EquiFirst	-	9	23	-	32	32
US CDOs	32				-	32
Negative Basis Trades	79				-	79
Whole Loans	9				-	9
Net write downs	**57**	**(1,285)**	**(255)**	**(114)**	**(1,653)**	**(1,596)**

£bn	H1 07	H2 to Oct	Nov	Dec	Q3 07	Q4 07	H2 07	2007
<u>Consistent to Nov trading update</u>								
Gross write downs	(0.1)	(1.7)	(0.6)	(0.3)	(0.7)	(1.9)	(2.6)	(2.7)
Own credit / reserve releases	-	0.4	0.2	0.2	0.2	0.6	0.8	0.8
Net writedowns	(0.1)	(1.3)	(0.4)	(0.1)	(0.5)	[illegible]	(1.8)	(1.9)
<u>Lowest possible view</u>								
Gross write downs	(0.1)	(1.7)	(0.6)	(0.3)	(0.7)	(1.9)	(2.6)	(2.7)
Own credit / reserve releases	0.2	0.4	0.3	0.2	0.2	0.7	0.9	1.1
Net writedowns	0.1	(1.3)	(0.3)	(0.1)	(0.5)	(1.2)	(1.7)	(1.6)

Section 6

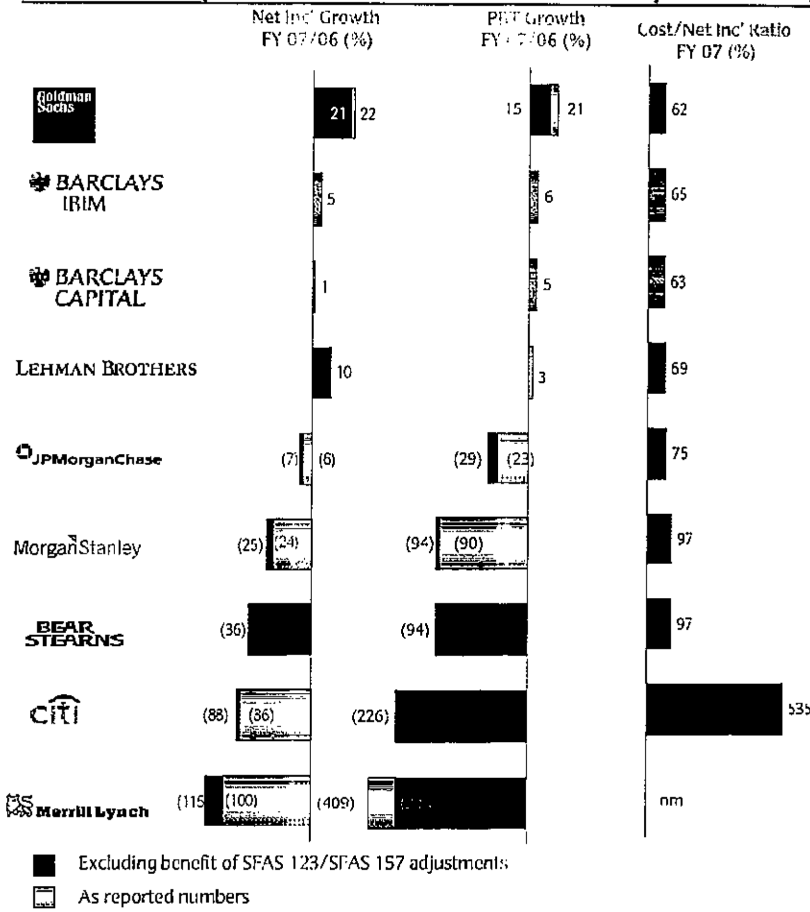
2007 reserve releases and one-off items

£m	Dec 06	(Peak Reserves)	Dec 07	YoY Mov't	Comments
TRADING RESERVES					
Admin Reserves	62	-	5	(57)	Release of £62m across all business due to policy change offset by £5.3m ABSA Capital
Bid-Offer	317	385	366	49	Releases of £13m across Commodities, £12m Risk Finance, £30m reclass to model for Equities offset by increases of £76m across Portfolio Asset book and £23m across FX, Fixed Income Rates, Equities and Emerging Markets
Credit (Trading)	219	187	127	(92)	£58m release in Commodities across trades, £52m in Shared Services (Enron) offset by £18m increase for Absa Capital
IUR	899	1,107	590	(309)	£507m released due to observabilty and change of threshold policy across all business areas, £56m due to Funds reclass to Model offset by £258m IUR increase due to new trades
Tax	36	46	52	16	Primarily due to £9m increase in CGT liability for new China Stock trades within Equities
Transaction Level	167	48	65	(102)	Releases of £48m Shared Services (Enron), £21m Commodities (Appalachian) and £16m FI Rates Operational reserves
Buy Back / ETR	40	49	0	(40)	Release due to policy change
Unapproved Model	90	136	123	33	Primarily £26m across FX Long Dated Options (Convex Forwards, ICI options, & FX/IR Hybrids)
Model	320	312	525	205	£56m due to reclass from IUR for Funds, £38m Funds model weakness reserve following observability releases on DTM trades, £30m reclass from Equities Bid Offer, £30m for Portfolio Asset Book, £25m DCRM (Seahawk Power and Gas). £10m Fixed Income Rates and £6m Emerging Markets
Price Testing	99	92	86	(12)	Decrease of £44m FI Rates, £8m Equities offset by increase of £20m Portfolio and £19m FX
Total Trading Reserves	2,247	2,362	1,939	(308)	
SCM	465	561	732	267	2007 movements include Tax Capacity Provision £70m, Valiha £55m, Belenos Berry £28m, Comc £14m, Lux Equities £11m, Bugle £10m, Handel - Germany £8m, Patton Dexia £7m
Total Reserves	2,713	2,923	2,671	(41)	

Reserves for Absa Capital for December 2006 are not included

Theme	Speaker
Group strategy update -Re-enforce given ABN AMRO in the year	JSV
New long term Group targets -Focus on objectives for next goal period, including target(s), length of goal period	JSV
Appropriateness of leverage/capital position - Main item which would affect finance would be the size of the balance sheet and the impact of accounting items which may not affect our competitors	JSV
Dividend rationale/outlook	JSV
FY07 divisional performance	CGL
FY07 performance post trading update - Data would be required for any additional write downs following the Barcap announcement in November - The same level of data as required for November announcement would need to be prepared for the Results Announcement	CGL
RWA growth/target ratio guidance	CGL
Basel 2 impact	CGL
Current trading	CGL
Short term guidance	CGL
Liquidity disclosure including the impact of the credit crunch on reported margins (We will need to have early site of margins to rationalise if possible)	CGL

2007 Competitor Results Summary – Barclays vs US Banks



Comments

- Equity trading grew 35% and investment banking grew 34%
- 1% negative jaws due to 2% deterioration in the cost: net income ratio

- BGI net income growth of 16%
- Wealth net income growth of 11%

- Another record year with excellent performances in equity, interest rate and currency products

- 29% decline in fixed income offset by 76% growth in equities and 23% growth in investment banking
- 3% negative jaws due to 2% deterioration in cost: net income ratio

- 27% decline in fixed income
- 11% negative jaws due to 8% deterioration in the cost: net income ratio

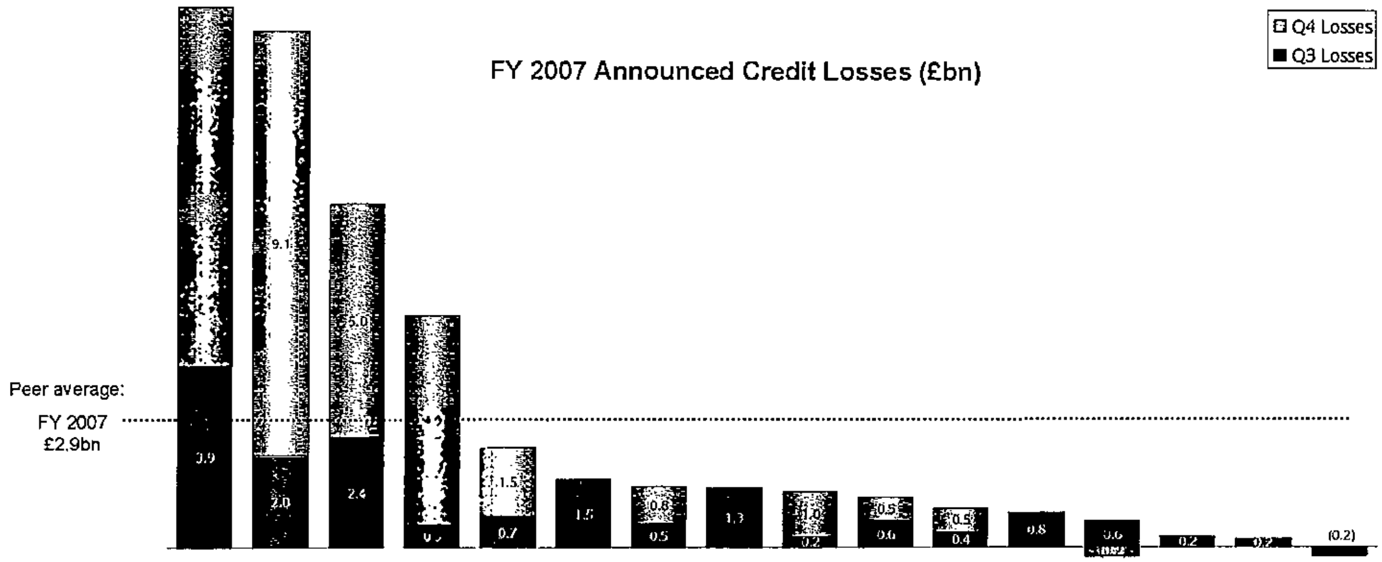
- 96% decline in fixed income
- Negative jaws of 42% due to 35% deterioration in cost: net income ratio

- 84% decline in fixed income
- 30% negative jaws due to 31% decline in cost: net income ratio

- £11bn subprime write-downs in 2007
- $37bn of direct subprime exposures remaining at year end

- £11.6bn of subprime write downs in 2007 (highest of those reported so far)
- Write downs in H207 exceed PBT for the investment bank in the previous five years

Merrill Lynch has reported the highest level of losses so far at £11.6bn



	Merrill Lynch	Citi	UBS	Morgan Stanley	Bank of America	Deutsche	Barclays Capital	RBS*	Bear Stearns	JP Morgan	Lehman Brothers	Credit Suisse	Goldman Sachs	Société Générale	BNP Paribas	HSBC
Q3 (£bn's)																
Leveraged Loans	0.2	0.7	0.2	[illegible]	0.1	0.4	[illegible]	0.3	0.1	0.7	[illegible]	0.5	0.6	0.1	[illegible]	[illegible]
Sub prime^	4.0	1.5	2.2	0.7	0.6	1.1	0.7	1.2	0.2	0.2	0.4	0.6	[illegible]	0.1	[illegible]	0.4
Credit Spread Gains	(0.3)	(0.2)	[illegible]	(0.2)		[illegible]	[illegible]	(0.3)	(0.1)	(0.3)	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]
Q4 (£bn's)																
Leveraged Loans	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			[illegible]		[illegible]
Sub prime^	6.4		5.0	[illegible]	[illegible]		0.9		1.0	0.7	0.7					
Credit Spread Gains	[illegible]		[illegible]	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	(0.2)	(0.2)	[illegible]	[illegible]	[illegible]		[illegible]

^'Sub prime' includes ABS, MBS, Credit Derivative and Quant Losses

*RBS has not disclosed Q3/Q4 splits and therefore the losses represent those that have been taken in H2 as a whole. (Mortgage losses within ABN have been included)

Strictly Private and Confidential

Barclays Capital

Monoline Risk Tendency

CFRM New York

Patricia Moore, Steve Pearson, Mike Moschetta

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See attached

BARCLAYS CAPITAL

Finance Committee Meeting

Section 10 | Minutes

Date:	17 January 2008
Attendees:	Bob Diamond, Rich Ricci, Patrick Clackson
Venue:	RED's Conference Room

	Action	Raised	Status / Due
Monthly review of Wealth WRAs	PAC	5 Dec 07	Open

Barclays Capital

Monoline Risk Tendency

GFRM New York

Patricia Moore, Steve Pearson, Mike Moschetta

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Overview

- Monoline Industry Update
- Monoline Exposure
  - Insurance Company – Negative Basis Trades
  - Holding Company and Other Insurance Company Exposure
- Risk Tendency Calculation
- Risk Tendency Results

Monoline Industry Update

Introduction

- Our view of this sector is that the AAA ratings that have been granted to the monoline insurance sector are akin to a structured AAA and therefore not as strong as AAA sovereign or AAA corporate obligors. Having said that, a near term default remains unlikely as any claims against the monolines would be expected to payout over a long time horizon preserving their current liquidity position. The holding companies are different in that they do have some debt (usually rated AA) and they rely on upstream of dividends to make debt service payments. In a worst case scenario, in order to preserve the insurance subsidiaries cash capital position, regulators could restrict dividends thereby causing a holding company downgrade/default.

Environment/Trends

- The magnitude of the monoline losses has called into question the adequacy of their current capital positions;
- Frequent changes in reported exposures raise significant questions regarding the ultimate expected losses in their CDO and other mortgage related exposures and has resulted in a "No Confidence" vote from the market;
- Their ability to raise capital in the public market is no longer a viable economical option; equity and debt are trading at distressed prices
- Barring an equity injection or an outright purchase from a private investor, downgrades will continue with AMBAC already downgraded to AA (Fitch) and XL/SCA, FGIC and MBIA expected to follow; XL/SCA and FGIC have potential for double downgrade to single A;
- Repercussions are many and may be extreme beginning with the monolines no longer having a viable franchise and ending with money market and pension funds being forced sellers of municipal bonds because of investment rating limitations;

Risk Appetite/Next Steps

- All Headroom has been reduced and limits have been temporarily suspended pending review;
- Our internal ratings will be updated on a name by name basis reflecting our outlook for capital raises as well as rating agency actions that could impact the business model;
- We expect that our internal ratings will typically be in the BBB range for the holding companies and A to AA range at the operating subsidiaries.
- Future risk appetite is also under review and is subject to the fallout from the current Rating Agency reviews and downgrades;
- GFRM's Structured Products Team has shifted gears into "workout" mode engaging CRAG and outside legal counsel for advice on various options and alternatives;
- GFRM's Structured Products Team has put a process in place which requires weekly updates to the Industry Paper and meetings with Senior Managers;

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Negative Basis Book Exposure as of COB 1/15/08

Negative Basis MTM Exposure (in $mm)

Swap Counterparty	CSA (Yes/No)	MTM Exposure (1) (as of 12/24)	Notional Exposure
ACA CREDIT PRODUCTS 2004-B LLC	YES (2)	18	37
AMBAC ASSURANCE CORPORATION	NO	472	7,935
ASSURED GUARANTY CORPORATION	NO	218	5,157
CIFG	NO	99	2,882
FINANCIAL GUARANTY INSURANCE	NO	203	3,965
FINANCIAL SECURITY ASSURANCE	NO	211	6,148
MBIA INSURANCE CORPORATION	NO	1,437	10,436
XL CAPITAL ASSURANCE INC	NO	132	2,185
Monoline Subtotal (2)		**2,791**	**38,745**

(1) Source: BarCap desk marks or Third Party Dealer Marks when desk marks not available

(2) ACA has posted $9.3 million of cash collateral

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Negative Basis Trade Position Summary

Negative Basis Collateral Exposure by Counterparty

		US Portfolio Group Exposure							Other Desk Exposure										
Counterparty Type	Counterparty Name	Mezz ABS	High Grade ABS	CDO	CRE with Subprime Exposure	CRE	REIT TRUPs	Desk Total	Eur ABS	Leveraged Loans	CLO	Corp Synthetic Bonds	EM Sec	Eur REIT TRUPs	Bank TRUPs	Aircraft	Infrastru	Other Desk Total	Grand Total
Monoline	ACA										37							37	37
	AMBAC		959	79				1,038		6,025							872	6,897	7,935
	Assured					100	221	321		3,337				1,403	95			4,835	5,157
	CIFG									2,735					147			2,882	2,882
	FGIC	155						155		3,809								3,809	3,965
	FSA									5,985		67			95			6,148	6,148
	MBIA	1,026	1,870		1,362	3,398		7,656	1,366	1,414								2,780	10,436
	XL Capital					620		620		1,267	107		192					1,565	2,185
Monoline Total		1,182	2,829	79	1,362	4,118	221	9,791	1,366	24,573	144	67	192	1,403	337	0	872	28,954	38,745

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Monoline Holding Company and Non NBT Exposure

	Monoline Holding Company Exposure				
	Bond-Inventory	Derivative (1)	Undrawn Revolver (2)		Total
MBIA Inc.	36,000,808	6,000,000	70,000,000		112,000,808
AMBAC Financial Group Inc.	-				-
	Monoline Insurance Non-NBT Exposure				
	Bond-Inventory	Derivative	Undrawn Revolver (2)	Liquidity Facility (3)	Total
Assured Guaranty Corporation	13,837,988	-			13,837,988
XL Capital Assurance Inc.	29,396,688				29,396,688
Financial Guaranty Insurance Company	11,086,510				11,086,510
MBIA Assurance	192,412,156	17,594,770	70,000,000	260,788,806	540,795,732
Ambac Assurance Corp	50,167,434	122,876,700			173,044,134
ACA Capital Holdings	235,308	1,500,000			1,735,308
				Total	769,896,360

(1) Derivative exposure represents Potential Future Exposure (PFE)
(2) Undrawn revolver can be drawn at holding company or insurance company - details next slide
(3) Liquidity Facility to Triple-A One Funding Corp - secured by Prime Equity Loan Trust notes expected to mature April 2008

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Monoline Holding Company and Non NBT Exposure

Barclays is the Administrative agent on a $500 million RCF that can be drawn at either the holding company or the insurance company; GFRM has engaged CRAC and external counsel for advice

Barclays Bank PLC	$70,000,000	14.00%
Bank of America	$70,000,000	14.00%
KeyBank	$60,000,000	12.00%
JPMorgan Chase	$60,000,000	12.00%
The Bank of New York	$60,000,000	12.00%
HSBC	$45,000,000	9.00%
Deutsche Bank AG	$30,000,000	6.00%
National Australia Bank	$30,000,000	6.00%
Caja Madrid	$25,000,000	5.00%
Norddeutsche Landesbank	$25,000,000	5.00%
Wells Fargo	$25,000,000	5.00%
TOTALS	**$500,000,000**	100.00%

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Risk Tendency Calculation

- The firm's standard RT calculation is computed by EAGLE as follows:
  - For each transaction, compute expected exposure (EE) for each period using Monte Carlo Simulation
  - For each counterparty, based on the DG, compute the marginal EDF for each period
  - RT = (PV of EE x Marginal EDF)$_{t=1,N}$ x (1 – Recovery)
  - Financial Institution Loss Given Default (LGD) is 60%, i.e. 40% recovery
- The firm's Negative Basis Trade RT calculation is modified outside of EAGLE due to the difficulty in modeling EE on the underlying CDO/CLO super senior structured bonds
  - As a proxy for EE the firm uses the current NPV (i.e. mark-to-market) of the underlying transaction
  - Therefore, RT = NPV x PV(Marginal EDF$_{t=1,N}$) x (1 – Recovery)
  - NBT RT reserve currently assumes zero recovery

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Risk Tendency Calculation – Scenario Results

- The RT results below indicate that our expected rating changes would result in a $45 million change in the RT reserve and our downside rating scenario would result in a $74 million change in RT

Monoline Risk Tendency Scenarios

			Downside Ratings Scenario		Expected Ratings Scenario	
	Current RT - A	Current RT - B	RT Scenario 1A	RT Scenario 1B	RT Scenario 2A	RT Scenario 2B
European Book	7,831,928	4,699,157	14,515,213	8,709,128	11,862,186	7,117,312
US Book	113,006,703	67,804,022	179,183,918	107,510,351	153,470,218	92,082,131
Total Negative Basis Book RT	120,838,631	72,503,179	193,699,131	116,219,479	165,332,404	99,199,442
Non Negative Basis Book RT*	64,617	38,770	651,259	390,756	258,267	154,960
Total RT	120,903,248	72,541,949	194,350,390	116,610,235	165,590,671	99,354,402

**Used Limit amounts in calculation of EAD - all assumed fully drawn/utilized*

Scenario A = Zero Recovery

Scenario B = 40% Recovery

	Current DGs	Downside Case Scenario 1 DGs	Expected Case Scenario 2 DGs
Financial Guarantor			
Assured Guaranty	1	1	1
MBIA	1	3	2
Ambac	1	3	2
FGIC	1	6	4
FSA (Dexia)	1	1	1
CIFG (Natixis)	1	1	1
XL Capital	1	6	4
Holding Company			
MBIA, Inc.	2	7	4

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Risk Tendency Calculation – DG Scale

MONOLINE DG TABLE				
RATING	DG	PIT EDF	TTC BAND	TTC EDF
AAA	1	0.003%	1	0.012%
AA	1	0.011%	3	0.034%
A	2	0.022%	4	0.065%
A-	2	0.026%	4	0.074%
BBB+	3	0.050%	5	0.135%
BBB	4	0.075%	6	0.198%
BBB-	5	0.108%	8	0.278%
BB+	6	0.166%	10	0.412%
BB	7	0.202%	10	0.492%
BB-	10	0.338%	12	0.788%
CCC+	16	3.374%	17	6.248%
CCC	17	4.437%	18	7.958%

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EXHIBIT 95

FILED UNDER SEAL

* * * C O N F I D E N T I A L * * *

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BARCLAYS BANK PLC)
SECURITIES LITIGATION) Master File
-------------------------) No. 1:09-cv-01989-
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November 13, 2015
9:04 a.m.

Videotaped Deposition of ROBERT E. DIAMOND, JR., held at the offices of Sullivan & Cromwell LLP, 125 Broad Street, New York, New York, before Laurie A. Collins, a Registered Professional Reporter and Notary Public of the State of New York.

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Q. All right. So this -- on the cover page of the document, there's a reference to GFRM New York, and then there are three people identified: Patricia Moore, Steve Pierson, and Mike Moschetta.

Do you recognize those names?

A. One of them looks familiar; the other two don't.

Q. Which one looks familiar?

A. Patricia Moore.

Q. Who is she?

A. I'm not sure, but it looks familiar. I'm guessing she is a member of GFRM New York.

Q. What is GFRM New York?

A. I can't tell those. We have a lot of acronyms around. If I say it in a general sense, it was the risk management department. It may have been a subset of it, which is what the GF is and I can't recognize it, but it would be part of the risk management group. Risk management is similar to compliance, but it's kind of the governance around risk reporting, how much risk there is in positions.

Q. You'll see that this presentation

appears was delivered to the finance committee. What was the finance committee's interest in Bar Cap's monoline exposure at this time?

A. I think in the turmoil in the markets and turbulence in the markets and the volatility, the finance committee was an information group, and they were getting information on a report that had been done on an area of increasing interest in the markets.

Q. Okay.

A. I think this is, you know, as one would hope and expect.

Q. If you look at page 4 of the document, there's a chart that's titled negative basis book exposure as of COD 1/15/08.

You see under "swap counterparty" does that -- does that appear to be a list of monoline insurers?

A. Some are. I don't recognize all of them. But some of them are monoline insurers.

Q. And then there's a mark-to-market exposure column which says as of 12/24. Okay. And there's a number there which is expressed in dollars of 2 billion 791.

Q. That e-mail begins at the bottom of page 543. It's a draft note for -- that Mr. Varley has prepared for Mr. Agius to send to the FSA; is that right?
A. That's my understanding, yeah.
Q. The draft reads, Callum: I wanted to make contact again following our last conversation. You will know that there has been much subsequent dialogue between our teams. That dialogue and the written material supporting it was presented to the board risk committee and then to the full board this week.
John indicated to Hector on Wednesday that our intention is to do more work ahead of our April board meeting in response to the points made by Julian Adams and Mark Wharton to John last week which were reiterated by Hector on Wednesday. This will enable us to come back to the FSA after the April board meeting with proposals as to our capital plan that I have directed him, addressing your concerns.
Do you see that?
A. Uh-huh.
Q. So the FSA, am I correct, was seeking

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to have Barclays prepare a capital plan for 2008 to address concerns they had with respect to Barclays' capital adequacy; is that right?

A. I wouldn't have said it that way, but our response to them was that we would present a capital plan. So the result is the same. But they didn't ask for a capital plan.

Q. And what were their concerns?

A. I think one of the things that you saw in the earlier note was traditionally the regulators in the U.K. had focused on tier 1 ratio, and they had changed to the equity ratio. You could see from our response and we knew from the other banks that that wasn't kind of forewarned, but it was something that we now had to take into account.

But that's a ratio. It doesn't necessarily mean one is going to -- you had asked me earlier were we going to raise more capital. And addressing a ratio is -- has many aspects to it. One possibility, rarely the leading one, is to raise more capital. Another possibility is to manage RWAs and equity in different ways than we had been.

EXHIBIT 96

FILED UNDER SEAL

PAPER FOR BOARD MEETING ON THURSDAY 14 FEBRUARY 2008

Agenda Item No.
3.1

TO: The Directors

FROM: John Varley

DATE: 8 February 2008

SUBJECT: GROUP CHIEF EXECUTIVE'S MONTHLY REPORT

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1. Introduction

Our Board meeting next Thursday will focus on **2007 results** and related announcements. We need to strike exactly the right balance in our communications between acknowledgement that shareholders have had a bad ride on TSR in 2007 and satisfaction that we have steered safely through very choppy waters and delivered a strong set of results. The announcement is also an important opportunity for us to share our forward view, demonstrating that notwithstanding the outturn of ABN AMRO and the market dislocation, we are very clear about our strategy and very clear also about how we should be managing our portfolio of businesses in a more uncertain world. Our new **four year goals** (which are the subject of a separate item on the Board agenda) need to reinforce this view.

*****

Since we last met, a number of competitors have announced significant **write-downs** due to the credit market dislocations. The market remains concerned about further write-downs due to the continued deterioration of the US housing market and questions about the financial stability of **bond insurers** (AMBAC and MBIA are two of the biggest examples). The latter weighed heavily on our, and the industry's, shares in January. As we will be the first to report audited 2007 results, we can expect significant scrutiny of our year-end positions and remaining exposures.

I will ask RED to give you a full update at the meeting on these subjects.

*****

The market is also acutely sensitive at the moment to assumptions about **economic growth**, particularly in the US and the UK, and implications for weakness in those markets on the fast-growing emerging market economies (particularly China). We are stress-testing our MTP and STP assumptions better to understand the sensitivities to potential under-performance of key economic indicators versus our base case. We will update the Board on the outcome of those tests in due course.

*****

I will ask RED to brief you on a meeting with **central bankers** he attended in January in Basel, and, separately, how we propose to manage relationships with **Sovereign Wealth Funds**.

*****

We held a dinner for clients, influential politicians and key industry figures in **Davos** on January 23rd. The guest list was excellent, as was the key-note speaker: David Cameron. A Barclays delegation led by MAPA, RED and FFS was present for three days, and got good value from the time there.

*****

As I write this, there is intensive speculation on the fate of **SocGen**. Despite the views of the European Commission, it is hard to imagine that the solution will not be French. I will comment further on this at the Board.

*****

The Government released a draft of its **proposed, post Northern Rock reforms** on January 30th. The document will undergo a three month period of consultation before it is finalised. Our involvement in that consultation started on February 4th in a joint meeting between the CEOs of the big UK banks and Alistair Darling. Darling expressed – in a call to me on the day of the paper's release and the subsequent meeting – a preference to "get it right, rather than get it quick". But given the fact that he has already indicated the Government's wish to publish new legislation shortly after Easter, and given also the fact that the Conservatives are criticising the Government for prevaricating, I think in practice there will be significant time pressure applied in the period following consultation, with some real risks that the legislation, which contemplates very significant change, will be poorly crafted.

*****

GRCB has continued in January its **rapid development of distribution channels** by opening a further 33 branches and 50 sales outlets outside the United Kingdom. This is in addition to 369 branches and 283 sales outlets opened outside the United Kingdom during 2007. I will ask FFS to comment.

*****

The situation in **Kenya** appears to be stabilising, but remains tense. Throughout the turmoil of the past few weeks, we have been actively protecting the interests of our colleagues and customers.

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Redacted for Privilege

2. Corporate Development Update

UK – Goldfish acquisition

- Goldfish is the UK card business of Discover Financial Services with 1.7 million customers and c£2bn in receivables.
- Discover was spun-off from Morgan Stanley in June 2007.
- On December 21st, we submitted an offer of £35m cash after which Discover entered into exclusivity with us.
- The purchase price represents a 5% discount to receivables, compared to the 19% premium to receivables which Morgan Stanley paid to acquire Goldfish in 2005.
- The Sale and Purchase Agreement was signed on 7th February and is expected to complete by April.

U.S. – Juniper branded cards disposal

- Barclaycard U.S. is disposing of its Juniper branded credit card account file.
- Barclaycard U.S. is focused solely on partnerships, and this own-brand portfolio (a legacy business from the Juniper acquisition) does not fit that strategy.
- The file was segmented into two portfolios, based on credit score, for sale.

- The sale of the higher quality accounts (US$314m in assets) to Bank of America will be completed on January 31st for a US$35m premium.
- We are working on an agreement with CompuCredit on the remainder of the file (US$87m in assets).

U.S. – Constellation Commodities Group (CCG) acquisition
- We are reviewing an opportunity to acquire CCG, the wholesale energy trading operation of a large U.S. utilities group (Constellation Energy Group).
- Apart from its trading operations, CCG is a significant player in the natural gas sector, has a significant physical international coal business and owns and/or controls various physical assets and reserves.
- The acquisition of CCG would make Barclays the world's largest energy trader.
- Despite the deal being at a very early stage, we have given the vendor initial informal price guidance of $3bn to $4bn in order to proceed.

India – Bank of India credit card JV
- Preliminary discussions with Bank of India led to Barclays gaining "preferred partner" status for the establishment of a credit card Joint Venture.
- Summary term sheets have been exchanged and more substantive discussions are expected to begin in early February.

Russia – Expobank acquisition
- By way of reminder, Expobank is a small bank ($1.1bn total assets) based in Moscow and Western Russia that caters for SME customers through 29 branches.
- The Board Finance Committee approved the submission of a binding bid of up to $725m in December.
- We were able to secure exclusivity until January 31st to conclude a deal with a bid of $675m.
- Issues around the structure proposed by Expobank shareholders currently pose a risk to timing, but discussions are underway to find an alternative structure that will be acceptable to both parties.

Vietnam – Prudential Joint Venture
- We are in discussions with Prudential to establish a 50/50 consumer finance JV in Vietnam.
- We have signed a non-binding term sheet and are now undertaking due diligence to assess Prudential's existing operations and validate the business case/market opportunity.
- The JV Agreement and other legal documentation are being drafted/negotiated with a target to execute in Q1/Q2 2008.
- Subject to the success of this JV, the partnership could be replicated in other Asian markets where Prudential has significant presence and experience (e.g., China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand).

Mexico – NAFTRAC acquisition
- BGI is looking at the acquisition of NAFTRAC, the largest domestic ETF in Mexico with cUS$3.5bn in AUM, sponsored by Nacional Financiera, a Mexican government bank.
- Formal interest was expressed to management in December 2007.
- We received a positive response from NAFTRAC to begin discussions, but are now awaiting a response on sale process and timings.

Tanzania – Barclays Bank Tanzania (BBT) sale to NBC (55% owned by Absa)
- The NBC/Absa offer for our Tanzanian business was received on December 3rd, significantly below internal valuations.
- Subsequent meetings were held to understand valuation differences, based on which Absa's position was revised upwards, but not materially.
- Alternative transaction structures are presently under consideration to overcome remaining differences.

Nigeria – Entry Strategy
- We have considered in ExCo the acquisition of a controlling stake in a Nigerian bank.
- Subsequent discussions with the Nigerian authorities suggest that we would be given a licence to create a wholly owned bank in Nigeria with supporting branch infrastructure. This will be a less expensive and a less risky route into the market.

- We will be back to the Board with a further update once we have examined in greater detail the feasibility of this way forward.

Zambia – Finance Bank acquisition

- ExCo authorised a non-binding offer to acquire Finance Bank, Zambia's 5th biggest bank by assets, for up to £68m, and a non-binding offer was submitted on August 10th.
- Various issues were raised by the President of Zambia and the Central Bank and discussed in numerous meetings. However, no mutually acceptable solution has been found to date.
- We are now reviewing the acquisition in view of the time elapsed.

South Africa – Financial services JV between Absa and Woolworths (c£80m investment)

- The transaction structure and deal terms have been agreed between the parties and approved by Barclays ExCo and the Absa Board.
- The conclusion and signature of transaction remain subject to regulatory approval.

3. Group Executive Committee (Exco) Matters

3.1 Summary of decisions taken at recent ExCo meetings

First Plus – December 11th

- Barclaycard's aim was to exit the sub-prime market by disposing of this business, but the sale process was halted due to the impact of adverse market conditions.
- ExCo revisited the position of the business in light of that and agreed to continue trading, but to review the decision in the 4th quarter of 2008.

Senior Management Review of Group's material models – December 11th

- ExCo approved four retail credit risk models: Barclays branded cards probability of default, Home Finance Open Plan mortgages probability of default, Absa mortgages probability of default and Absa mortgages loss given default.

Pakistan – December 18th

- ExCo approved GRCB's application for a banking license on October 2nd.
- That application was subsequently approved by the authorities in Pakistan, and GRCB returned to ExCo to seek approval to begin build-out.
- ExCo approved, with two caveats:
  - GRCB will update ExCo on progress 3 months after boarding its first customer
  - GRCB must convert from Branch to Subsidiary within 6 months of boarding its first customer

Bear Stearns – December 18th

- ExCo agreed to launch a lawsuit against Bear Stearns for infringements related to the closure of two hedge funds.

3.2 Summary of topics reviewed by ExCo at recent meetings

Sanctions Programme Update – December 3rd

- ExCo reviewed the regular update on the Sanctions Programme.
- US Regulators expect us to do considerable additional work to identify further breaches of sanctions; work has commenced on six additional workstreams; ExCo have pledged to make resources available as required.

Basel II Parallel Run 4 numbers – December 3rd

- ExCo reviewed the update on the Basel II Programme focusing on the increase in total Risk Weighted Assets from 99% of Basel I in PR3 to 101% in PR4, predominantly a function of credit risk RWA, and the expected impact on capital ratios.
- Dialogue is ongoing with the FSA regarding Pension Risk (£1.6bn incremental FSA requirement); SFT IMM waiver for BarCap (£3bn impact on RWAs); Treatment of Private Equity (whether waivers

under Basel I would stand under Basel II - £1bn impact) and Tax Treatment of Expected Loss Deduction (£500m impact).

Absa Wealth – January 8th

- Absa sought help from Barclays Wealth in redefining the 'high-net-worth' segment of Absa Private Bank.
- Wealth will take over the product capability that supports the specific client segment (not Absa Financial Services – although this will be reviewed in the future).
- The business will initially be called 'Absa Wealth'. The brand strategy will be reviewed in 12 months, with the intention to transition to 'Barclays Wealth'.

Angola – January 28th

- ExCo discussed the fact that the original deadline given to Absa had passed and unambiguous management control has still not been agreed.
- Group General Counsel has rejected the latest proposed structure for gaining management control (50% + 10%) as untenable.
- FFS and JSV agreed to discuss further as part of a wider review of Project Lion (the acquisition of Barclays Africa by Absa) which has been prompted by a recent call to JSV by Gill Marcus on which JSV will brief the Board.

4. 2007 Mission Critical Deliverables – Year-end Position (see APPENDIX 2 for a detailed review of each)

Deliverables	2007 Year End Position
1. GRCB performing at plan, and at a sustainable growth rate that, in time, will approximately balance growth rates in IBIM	GREEN
2. Extending the turnaround in UK Retail Banking (2007 income growth of no less than 7% (STP = 8%); profit growth of no less than 10% (STP = 15%))	AMBER
3. Mortgages net share of flow for 2007 of not less than 5% (2005 net share: (3)%; 2006 YTD August: 1%)	GREEN
4. Successful execution of Project Ranch, consolidating Woolwich into Barclays	GREEN
5. Underlying profit growth in Barclaycard (i.e. PBT higher in 2007 than 2006)	GREEN
6. Technology breakthrough in Retail and Commercial Banking	AMBER
7. Appoint a new leader of UK Business Banking	GREEN
8. Absa on track (2006 vs 2007 profit growth of no less than 8% in Rand; CIR top quartile)	GREEN
9. Material increase in exposure to ROW/Asia (from 7% of Group PBT in 2006, to 14% in MTP period)	GREEN
10. BarCap: Continue delivery against Alpha Plan and narrow the gap to premier global investment banking status	GREEN
11. Wealth: Establish brand credibility, and progress towards £500m in PBT in time	GREEN
12. BGI: Continued growth through product, channel and talent expansion; 15% of Group PBT in time	AMBER
13. Achieve targets for capital management (creation versus consumption)	AMBER
14. Successful completion of (A) Basel II Parallel Run, and (B)Sarbanes-Oxley requirements	(A) GREEN (B) GREEN

APPENDIX 1 – Competitor Activity

Morgan Stanley

- Morgan Stanley may sell its 34.3% stake in CICC (China International Capital Corp) as part of a regulatory move that will allow the bank to pursue other mainland JVs.
- The bank plans to set up an investment banking JV with Shanghai-based China Fortune Securities Co, a strategic partner since late 2007.
- Nan Tung Bank, acquired by Morgan Stanley in 2006, will be used to operate the business.
- If successful, Morgan Stanley would become the first foreign bank with two investment banking JVs.

Merrill Lynch

- Merrill Lynch reported a total of US$16.7bn in write-downs from sub-prime exposure during 2H07.
- The bank also unveiled an agreement to sell preferred shares to a group including the Kuwaiti Investment Authority and the Japanese Mizuho group for a total of US$6.2bn.
- In December, the bank announced it had sold a 9.4% stake to Temasek Holdings for US$4.4bn (91.7m shares) and a 2.56% stake to Davis Selected Advisors (25m shares).
- Temasek also holds an option to acquire US$600m in additional shares in the bank by March 2008.
- Neither investor will have any rights of control and no governance role at the group.

Citigroup

- Citigroup announced the pricing of a total of US$15.4bn of convertible preferred stock, including US$6.9 billion from the Government of Singapore Investment Corp. for a 4% stake.
- In November, the bank announced that they were to sell equity units with mandatory conversion into common shares in a private placement to the Abu Dhabi Investment Authority (ADIA) for US$7.5bn.
- ADIA agreed not to own more than a 4.9% stake and will have no special rights of ownership or control and no role in management or governance.

Standard Chartered

- Standard Chartered signed an agreement to buy a mutual bank in South Korea for a reported Won150bn (GBP 81m), expanding its presence in Asia's third largest banking market.
- Yeahreum Bank is a bridge bank established last year to acquire assets from troubled savings banks and has gross assets of US$827m (at Sept 07), 50,000 retail customers and more than 800 corporate clients.
- The deal is expected to be completed in the first quarter of 2008, upon regulatory approval.

Bank of America

- Bank of America agreed to buy Countrywide Financial in an all-stock transaction worth cUS$4bn.
- Under the terms of the deal, the bank will pay the equivalent of US$7.16 for each Countrywide share.
- Bank of America said the deal would be neutral to earnings this year and accretive next year. The bank expects US$670m in after-tax cost savings.

HSBC

- HSBC won a government auction for Taiwan's The Chinese Bank Co Ltd, which had gross assets of approximately US$3.1 billion at Sept. 30 2007, 36 branches and over 1m customers in Taiwan.
- HSBC did not disclose the purchase price but said it would inject US$300-$400million of additional capital into The Chinese Bank to ensure its enlarged operations maintain appropriate financial ratios.

RBS

- RBS is reported to be seeking to buy a 19.9% strategic stake in Suzhou Trust Co., which is based in China's rich Jiangsu province, but no official comment was released.
- With a trust license, RBS may be able to offer a wide range of wealth management services in China, while tapping into various local industries where foreign players still face certain regulatory hurdles.
- The details of any license are to be finalized, and the parties are awaiting approval from the China Banking Regulatory Commission.

APPENDIX 2 – Detailed review of 2007 Mission Critical Deliverables

1. **GRCB performing at plan, and at a sustainable growth rate that, in time, will approximately balance growth rates in IBIM – GREEN**
   - On a headline basis, 2007 income was up 3% on 2006 and 2007 PBT was 2% lower than 2006.
   - Headline performance in 2007 was negatively impacted by the regulatory headwinds in UKRB and the decrease in net one-off gains booked in 2007 versus 2006 (£329m in 2007 and £768m in 2006).
   - On an underlying basis, 2007 income and PBT were up 6% and 10%, respectively, on 2006.
   - Significant franchise expansion this year is starting to position GRCB as a growth engine for Barclays. This included 644 net new international branch openings, 4m new customers, 16% customer asset growth and 9% liabilities growth.

2. **Extending the turnaround of UK Retail Banking (2007 income growth of no less than 7%; profit growth of no less than 10%) – AMBER**
   - On a headline basis (including the internal transfers of Barclays Financial Planning and Consumer Lending during the year), income was 1% lower than 2006, and PBT was 9% up on 2006.
   - On an underlying basis (including BFP and Loans), income and PBT were up 3% and 23%, respectively, on 2006.
   - Stripping out Loans and BFP (and so comparing the end of 2007 with the beginning of 2007 on a like-for-like basis), underlying income and PBT were up 5% and 18%, respectively, year on year.
   - Performance in 2007 has been impacted by significant regulatory headwinds, in particular £116m of refunds of historic overdraft fees.

3. **Mortgages net share of flow for 2007 of not less than 5% - GREEN**
   - Gross and net lending both increased significantly, with FY 2007 gross lending of £23.0bn (compared to FY06 of £18.4bn) and net lending of £8.0bn (compared to FY06 of £2.2bn).
   - Net share of flow was 7.7%, against a target of 6%, and 2.4% at the end of last year.

4. **Successful execution of Project Ranch, consolidating Woolwich into Barclays – GREEN**
   - Delivery completed in the 3rd quarter.

5. **Underlying profit growth in Barclaycard (i.e. PBT higher in 2007 than 2006) – GREEN**
   - Delivered PBT of £610M, 16% ahead of 2006 and £20m ahead of STP, despite absorbing repeated base rate increases.
   - Impairment was 20% lower than 2006, driven by UK businesses, following implementation of a new credit policy and expanded collections capacity.
   - Continued new account momentum in UK Cards with over 700k new accounts (more than half sourced online).
   - Barclaycard US delivered PBT of £22m on a published basis – better than the break-even commitment for 2007.

6. **Technology breakthrough in Retail and Commercial Banking – AMBER**
   - In 2007, we made progress on costs, with full year costs in line with budget including successful delivery of £72m in cost savings (£23m incremental to budget).
   - We moved to a more stable operating environment, with Severity 1 incidents down by 33% from the start of the year.
   - But performance has still not achieved "breakthrough" levels (i.e., technology is not yet a source of competitive advantage in GRCB).

7. **Appoint a new leader of UK Business Banking – GREEN**
   - Chris Grigg appointed UKBB Chief Executive on February 1, 2007.

8. **Absa on track (2006 vs 2007 profit growth of no less than 8% in Rand; CIR top quartile) – GREEN**
   - Board will recall that the original target growth in Rand, when presented to the Board last November, was 13% over 2006 actual.

- However, with Absa's better than expected performance in 2006 (R11,417m vs. an expected figure of R10,323m), the target PBT for 2007 was kept at the original R12,345m, but the growth target was reduced to 8% as a result of the prior year outperformance.
- 2007 PBT of R14,067 implies full year PBT growth of 23.2% and exceeds STP by R1,722m.

9. **Material increase in exposure to ROW/Asia (from 7% of Group PBT in 06, to 14% in MTP period) – GREEN**
    - Rest of World PBT is defined as profit earned in all countries outside the UK, the US, Western Europe and Africa.
    - Full Year estimate of ROW PBT based on Sep RAF, is £820m, or c11.6% of Group profits.

10. **BarCap: Continue delivery against Alpha Plan and narrow the gap to premier global investment banking status – GREEN**
    - Beat 2006 record performance in very challenging market conditions, reinforcing BarCap's ability to deliver across the cycle. BarCap remains fastest growing investment bank since 2000.
    - Income growth of 14% reflects strong growth in interest rate, currency and equity products, and in Asia, Africa and Continental Europe.
    - PBT up 5% to £2,335M (2006: £2,216M) and 28% on a two year view.

11. **Wealth: Establish brand credibility, and progress towards £500m in PBT in time – GREEN**
    - 2007 PBT growth of 25% over 2006, £4m favourable to STP.

12. **BGI: Continued growth through product, channel and talent expansion; 15% of Group PBT in time – AMBER**
    - 2007 PBT growth is 3% (in GBP) over 2006, below STP growth of 11%. In USD terms, 2007 PBT growth over 2006 is 12%.
    - BGI's share of Group PBT did not change (10.4% versus 10.0% in 2006).

13. **Achieve targets for capital management (creation versus consumption) – AMBER**
    - Capital ratios at year-end were: 5.0% equity ratio (versus 5.25% target) and 7.8% Tier 1 (versus 7.25% target).
    - Risk weighted asset (RWA) growth for the year was 18%.
    - Capital management is one of the key issues facing the Group over the next year and is receiving considerable senior management attention.

14. **Successful completion of (A) Basel II Parallel Run, and (B) Sarbanes-Oxley requirements – (A) GREEN (B) GREEN**
    - Both completed on time.

APPENDIX 3 – Update on Project Joyce (MOU)

Redacted:
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EXHIBIT 97

FILED UNDER SEAL

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

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Master File No.:

1:09-cv-01989-PAC

IN RE BARCLAYS BANK PLC

SECURITIES LITIGATION

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This document relates to ALL ACTIONS

Videotaped Deposition of MARCUS AGIUS,

taken by DIANA BURDEN, Certified Court Reporter,

held at Sullivan & Cromwell LLP,

1 New Fetter Lane, London, EC4A 1AN,

on Thursday, 5 November 2015, at 10:00 am

** CONFIDENTIAL **

A. Yes.
Q. What was the Group's liquidity framework?
A. The balance sheet of a Bank is a dynamic entity. Loans are being made, loans are maturing, short-term positions are taken and short-term positions are taken off. Part of the responsibility of the treasury section within the finance department is to manage the liquidity so that at no time does the Bank run out of liquidity.
Q. And would the treasury --
A. I am sorry. To answer your question, to make sure that doesn't happen, there would be a framework against which the treasury would have operated and against which performance would have been monitored.
Q. And would that framework include a capital plan?
A. The Bank typically had a capital plan.
Q. And who created the capital plan?
A. Generated is a better word. It would have been generated by the finance department.
Q. Did you have any involvement in the 2007 and 2008 time period in generating the

Bank's capital plan?

A. No.

Q. Would you have reviewed the Bank's capital plan?

A. It would ultimately have come to the Board at least once a year.

Q. At times would the capital plan be revised or amended in any way?

A. As I said, the balance sheet of a Bank is a dynamic affair, and from time to time adjustments would or might be necessary to reflect market conditions.

Q. Were there any adjustments made to the capital plan during the 2007 time period?

A. I don't recall.

Q. Were there any adjustments made to the capital plan during the 2008 time period?

A. I don't recall.

Q. If there were adjustments made to the capital plan during the 2007 or 2008 time period, would you have been kept apprised of those adjustments?

A. I think it would depend upon the extent thereof.

Q. Not to get too far into the

under 2007 in that first full paragraph to WRAs. Do you know what that acronym stands for?
A. Weighted risk asset.
Q. Is there a difference between WRAs and RWAs?
A. No. I think one is a risk weighted asset and the other is a weighted risk asset. They got swapped round the whole time.
Q. So they could be used interchangeably?
A. That was my recollection, yes. It used to bother me a bit, but I think that is the case.
Q. If we take a look at the second page of the email, Mr. Varley writes: "The executive Committee is currently undertaking two separate pieces of work, one of which looks at the denominator (WRAs); one of which looks at the numerator and" -- you see "equity" is in parens. Did you know what Mr. Varley was referring to when he was, I guess, pointing out a denominator and the numerator in an equation?
A. Well, I respond on the basis of what I see in front of me here. One of the ways in which the regulators controlled their oversight of

Banks was to monitor their capital ratios, and, as the word implies, "ratio" means the relationship between two different numbers, and the top number is the WRAs and the bottom number is the equity.

Q. And to increase or decrease --

A. Sorry, I have got that wrong. Sorry, the top number is the equity and the bottom number is the WRA, how much equity do you have to support the rest of your balance sheet.

Q. And what is the relationship between these two numbers?

A. It is called the capital ratio.

Q. And to improve or increase your ratio --

A. You would either need to have more equity or lower WRAs, and vice versa.

Q. And what are ways to lower your WRAs, or RWAs?

A. Whichever. It is to shed them off the balance sheet, so if you have assets which are there you may be able to sell, or you may be able to pass on in some other way.

Q. During this time period, being March of 2008, was Barclays actively trying to shed their risk weighted assets?

Q. Did you feel at the time that he was sufficiently informed to provide comments to your note to the directors regarding this meeting?

A. Certainly. One of the comforts I had during a difficult period as Chairman was my working relationship with John Varley, and the intelligence and expertise and dedication that he showed to his job. He worked extremely hard. I never caught him out once asking him about some particular matter about the Bank. His knowledge was encyclopaedic, and our relationship was completely transparent. So, as I said, that was one of the comforts I had during a difficult time.

Q. Did you have a relationship with Mr. Varley prior to joining Barclays as a director?

A. Yes, but nothing like as close or intense as it became.

Q. A professional relationship?

A. Professional relationship. He was -- I was an advisory banker at Lazard and he was a potential client, so I called on him like I called on many other people, but the relationship was not particularly close.

Q. What was the purpose of drafting this particular note to the directors?

A. The purpose of the note was because I had been -- I had had a meeting with the Chairman of the FSA at which he had expressed a number of relevant matters, and I was clear it was my duty to inform the Board of what had transpired. I was a great believer -- am a great believer in transparency.

Q. And in your meeting with Mr. McCarthy, did he express any concerns?

A. I have noted there the points he raised.

Q. And the concerns that he expressed are noted in your --

A. I have noted the points he raised.

Q. And specifically, just reading the body of your note, you state: "In general, McCarthy is concerned to establish that the Board of Barclays is providing sufficient challenge to the Executive in the current difficult market conditions and, in particular, wants to be clear as to our contingency plans for raising new equity capital should there be a further precipitate fall in asset values".

A. He is doing his job.

Q. And, Mr. Agius, what was the contingency plan in place at this time?

A. We touched on it in the last document. In extremis, one of the options available would have been to raise some external capital, and there were options.

Q. And that was one of the things Barclays did in fact do in the case of the Sumitomo investment?

A. Yes.

MR. TOMAINO: Objection to the form of the question.

A. Yes, but there is reference there to two other key shareholders, Temasek and China Development Bank, which were two other investors who had become -- meaningful participation in the company's balance sheet -- equity -- the company's balance sheet the previous year as part of the doings around the abortive merger discussions we had with ABN Amro.

BY MR. NIEHAUS:

Q. Who were those other investors?

A. As I said, Temasek and China Development Bank.

Q. You are not referring to Qatar Holdings in any way?

A. No.

Q. Had dialogue begun with Qatar Holdings during the March 2008 timeframe?

A. I honestly don't remember.

Q. Did Mr. McCarthy at this meeting that you had with him on or around March 2008 also express concerns relating to Barclays' exposure to monoline insurance?

A. It is recorded as such.

Q. Do you have any specific recollection, sitting here today?

A. Now that I see the note, I recall him having raised it. My sense was he didn't fully understand how our exposure operated.

Q. Did you endeavour at the time to enlighten him as to what Barclays' exposure was?

A. To an extent, but I also felt that, since I had no idea what he was going to talk about when we met, and rather than give an inaccurate or ill-considered response, I would go back to the office, discuss what had happened with colleagues, and decide what, if any, was the appropriate response.

Q. And do you recall in a previous email that we looked at today Mr. Varley writing you a brief note and one of the issues that he brought up was monoline insurance?

A. Yes.

Q. And did you use that information to guide you through the discussion?

A. Whether it was from John or from anybody else, I don't know, but there was -- as I said, as I recollect these discussions, I had felt that the extent of our exposure to these assets was misunderstood by Callum McCarthy.

Q. In the second to last or penultimate paragraph of this email or draft note there are some words or in some instances a single word in quotation marks. Do you see that?

A. Hmm mm.

Q. Would those quotation marks indicate that those were the exact or precise words that were spoken by Mr. McCarthy during this meeting?

A. I can't recollect whether those were the precise words but, knowing how I write notes, that would have been my intention. The point of the note was to convey to colleagues the content and nature and characterisation of the meetings that I had had. I felt it was relevant information. As I said, I am a great believer in transparency.

Q. Just for the record, specifically, I am referring to the second sentence of that paragraph, "He wanted to know whether I and the other NEDs were 'holding the Executive's feet to the fire?'", and then I guess --

A. Yes.

Q. The next sentence as well, "He referred to our equity ratio profile as being 'alarming' and said that he needed to know 'as a matter of urgency' what our contingency plans were in order to decide 'whether we would need to take any action'".

A. Yes. I think this reflects the pressure on him as a regulator at a time of market turmoil.

Q. Again, this may be what we have already discussed, but did Barclays take any action?

MR. TOMAINO: When?

MR. NIEHAUS: To increase their equity ratio after having this meeting with Mr. McCarthy.

MR. TOMAINO: Objection to the form.

A. As I recall it, we did the rights issue later in the year, like in June or July. I can't remember the precise date. But whether that was as a result of this conversation or whether it was the result of general market circumstances, I can't recall. The record will show when the capital raising was.

BY MR. NIEHAUS:

Q. And you are referring to the roughly £7-8 billion rights issue at the end of 2008?

MR. TOMAINO: Objection to form.

A. No. There was another capital raising, as I recall it, in the middle of the year. But the record will show that.

BY MR. NIEHAUS:

Q. Was this note ultimately sent to the directors on or around this date?

A. I can't recall but I would be surprised if it hadn't been.

Q. Just on a side note, before we leave this document, Mr. Varley refers to MAPA.

A. That is me.

Q. That is you?

A. Yes. Those are my initials, for better or for worse.

Q. And would NED refer to division heads?

A. No. NED is non-executive

from Mr. Agius to Mr. Varley and others on or around March 21, 2008. It is Bates stamped BARC-ADS-00931131. Mr. Agius, does this appear to be an email that you sent to Mr. Varley, Mr. Diamond, Mr. Lucas and Mr. Le Blanc on or around March 21, 2008?

A. Yes.

Q. And the subject of the email is "Final copy as sent". Do you see that?

Does it appear to include a note that you sent to Mr. Callum McCarthy from the FSA on or around March 2008?

A. That is what it appears to be.

Q. And the third paragraph, the last sentence, you write, "This will enable us to come back to the FSA after the April board meeting with proposals as to our capital plan that are directed at addressing your concerns".

Do you see that?

A. I do.

Q. Do those concerns that you reference here relate to the same concerns that you outlined in your letter to the directors in early March of 2008?

MR. TOMAINO: Objection to the form.

A. I have to interpret what I see in front of me, and I interpret it that it relates to the concerns expressed by Callum McCarthy to me and noted in that earlier email in relation to our capital ratios.

BY MR. NIEHAUS:

Q. Would those concerns also include the monoline exposure that Barclays --

A. What it says here is, it talks about our capital plan -- the reference here is directly to capital, and the two are connected, of course, because the more capital a Bank has, the greater their ability to withstand loss or risk in any part of the portfolio.

Q. Would monoline insurance be included in the risk weighted asset ratio?

A. Yes.

Q. You can put that aside.

(Exhibit 439 marked for identification)

Let's take a look at the next exhibit, which will be marked 439. This is a 14-page document. I will be referring to pages 2 and 3.

A. Okay. I am going to read pages 2 and 3.

A. No. The Qataris had already become investors as part of the capital raising that took place in July, and they invested more money in October. The new investor that is mentioned is Abu Dhabi.

Q. Did the FSA have to approve this capital raising plan by Barclays during this time period?

A. I don't know the specific answer to that question but in effect they had pre-approved it, because they had given us a target to reach by the middle of 2009, and if by raising money in this way we hit that target earlier, that is a kind of pre-approval.

Q. Could that target have also been reached by shedding the Bank's risk weighted assets?

A. The compliance with the ratios did not involve simply raising equity. As I recall it, the dividend was cut, bonuses were cut, the balance sheet was managed in the way I discussed earlier -- there were a number of different actions that were taken, but the most substantive, without question, was the raising of £7 billion odd by this method.

Q. Did the Bank consider any other alternatives to this capital raising?

EXHIBIT 98

FILED UNDER SEAL

Paper for
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BARCLAYS PLC

MINUTES OF A MEETING OF THE BOARD RISK COMMITTEE HELD AT 1 CHURCHILL PLACE, LONDON E14 5HP ON WEDNESDAY 19 MARCH 2008

Present:

Sir Richard Broadbent – Chairman

David Booth

Dr Danie Cronjé

Sir Andrew Likierman

Stephen Russell

In attendance:

Lawrence Dickinson, Secretary

Marie Smith, Head of Board Support

Marcus Agius, Group Chairman

Chris Lucas, Group Finance Director

Robert Le Blanc, Risk Director

Mark Harding, Barclays General Counsel

Phil Rivett, PriceWaterhouseCoopers

Norbert Schnadt, Group Market Risk Director
(in attendance for items 3.1-4.1 only)

Rich Ricci, COO, Investment Banking and Investment Management
(in attendance for items 3.1-4.1 only)

James Belmont, Head of Risk Analytics
(in attendance for item 3.2 only)

Jon Stone, Barclays Treasurer
(in attendance for item 5.1 only)

Miles Storey, Head of Group Balance Sheet, Barclays Treasury
(in attendance for item 5.1 only)

Sir Richard Broadbent welcomed David Booth to his first Committee meeting.

1. **CHAIRMAN'S MATTERS**

1.1 **APPROVAL OF MINUTES OF PREVIOUS MEETING**

(1) Minutes

The Minutes of the meeting held on 5 December 2007, which had been sent to Committee members in advance of the meeting, were approved and signed by the Committee Chairman.

Sir Richard Broadbent referred to Item 2.4 in the December minutes and asked the Committee to note that, when recommending Risk Appetite to the Board in December 2007, the Committee had recorded that the capital position was tight relative to the proposed Risk Appetite. This is even more the case in current conditions. A paper on Capital Management is being presented to the Board on 20 March 2008 and this item would therefore be dealt with at the Board rather than by the Committee.

(2) Actions Arising

Lawrence Dickinson referred to the Actions Arising schedule, which had been circulated to Committee members in advance of the meeting. All actions recorded in the schedule are in hand.

Sir Richard Broadbent asked the Committee to note that Robert Le Blanc had circulated a note on the events at Société Générale to Committee members and to Board Audit Committee members. It was concluded that, as the underlying issues were control-related, the Board Audit Committee would be responsible for reviewing this matter further.

Sir Richard Broadbent reported that he had asked Lawrence Dickinson to consider whether the Committee should be part of the FSA's ARROW review process and have an opportunity to review the matters raised in the ARROW letter. Stephen Russell commented that the FSA may wish to interview Sir Richard Broadbent as Chairman of the Committee, as they had previously interviewed him in this capacity. The Committee agreed that its role in the ARROW process and how it interacts with the FSA should be clarified.

1.2 REVIEW OF COMMITTEE ACTIVITY AGAINST TERMS OF REFERENCE AND COMMITTEE EFFECTIVENESS FOLLOWING BOARD EVALUATION

The Committee noted the paper, which had been circulated to Committee members in advance of the meeting. The paper reported that the review of activity in 2007 had confirmed that the Committee had fulfilled its Terms of Reference, although Mandate and Scale limits were due to be reviewed at this meeting of the Committee. It further reported that the results of the Committee Effectiveness Review demonstrate that it is operating effectively.

2. RISK APPETITE AND RISK PROFILE

2.1 FORWARD RISK TRENDS FOR CREDIT AND MARKET RISK

Mr Le Blanc presented the paper on Forward Risk Trends for Credit and Market Risk, which had been circulated to Committee members in advance of the meeting, and invited questions on the 12 identified forward risks.

Mr Le Blanc confirmed that, the risk arising from the rapid growth in Indian Retail Lending, could potentially develop in other fast growing other Emerging Markets areas. Chris Lucas commented that the main issue in India was the pace of growth coupled with the limitations of existing infrastructure.

The impact on BGI of the lack of support by Standard Chartered for the Whistlejacket SIV and the cost of supporting money market funds was discussed. Mr Le Blanc confirmed that this was considered to be a current risk. Mr Lucas also confirmed that the Whistlejacket funds taken onto balance sheet, and the associated risks, remained wholly within BGI.

Dr Danie Cronjé advised that the environment in South Africa was likely to deteriorate and suggested that further stress testing may be useful. Recent reports had indicated that high interest rates may persist for longer than previously expected.

The FSA's perception of the Group's exposure to Monoline Insurers was discussed. Mr Le Blanc reported that the FSA appeared to have misunderstood the exposures, which are reported on a mark-to-market basis, and had regarded this as being reported as an actual charge or cost. Mr Lucas confirmed that Monoline exposure was £1.3bn (net) at the end of 2007 and had increased slightly to £1.7bn as the mark-to-market valuations have fallen. Half of this exposure is with MBIA and £300-400m is with Ambac. The position had improved somewhat, however, as both had recently received injections of new capital and had retained their AAA ratings. Mr Le Blanc confirmed that there is continuing work underway to educate the FSA on the nature of the exposure to the Monolines. He further confirmed that the Group's exposure to Monolines is similar in nature to that of its peers.

Mr Le Blanc updated the Committee on the Group's risk contingency planning and the work that is underway to identify mitigating actions to be implemented should key internal and external risk indicators show a continuing negative trend. Some "red alert" type indicators are being developed, along with trigger levels. The Executive Committee has reviewed the contingency planning and is supportive. Mr Lucas explained that there will be a plan by area, setting out the measures and the actions to be taken. The areas of focus are the UK, US, South Africa and Spain, with a focus on those areas where there are higher concentrations or exposures.

Sir Richard Broadbent asked for consideration to be given to including capital constraints in the forward risk trends report.

The Committee noted the report.

Norbert Schnadt and Rich Ricci joined the meeting.

3. **KEY RISK ISSUES**

3.1 **UPDATE ON ABS AND LEVERAGED CREDIT MARKETS**

Rich Ricci presented the Update on ABS and Leveraged Credit Markets, which had been circulated to Committee members in advance of the meeting, and highlighted the following:

The markets remain under considerable pressure, with the ABX indices falling further in 2008 across all vintages, with some impact now being felt in older vintages. The Group's exposures have fallen slightly, primarily as a result of write-downs. The Alt-A traded portfolio is performing satisfactorily but valuations are under pressure given the lack of liquidity. The portfolio is currently marked-to-market at approximately 72 cents in the dollar, which compares favourably with some reports of peer valuations of 70¢/$.

The valuation of the Whole Loan portfolio held by EquiFirst remains under pressure as a result of the increase in risk premia, however, it has recently been announced that the excess capital requirements for Fannie Mae and Freddie Mac have been reduced from 30% to 20% and it is hoped that this will start to unlock the US mortgage market. Prices at which parts of the EquiFirst portfolio could be sold are being sought. The CMBS portfolio is more encouraging.

A revised governance structure within Barclays Capital to manage the positions has been put into place and the new control committees are working well. A strategic review of the future for the HomEq and EquiFirst businesses is underway and a decision on future strategy would be reached shortly.

The Committee noted the position as at the end of January 2008 and Mr Lucas confirmed that there has been little movement from that position. The main changes have been in the Monolines exposure, which has increased by £300m and in the Alt-A exposure, which has decreased by £300m. The underlying performance of the Alt-A portfolio is satisfactory, with only £17m non-performing loans of a total of £900m.

Mr Ricci gave further detail on the performance of the CMBS portfolio. Part of the portfolio is marked-to-market and, as at 18 March 2008, had a net write-down of just £2m. There is some confidence that approximately £900m can be sold down by mid-2008. Mr Lucas reported that half of the portfolio is held in the US and just under half in the UK. Average loan-to-value is between 60-70%, which is low compared to the Group's competitors.

Mr Ricci further reported that there are some hedge funds experiencing liquidity and margin call problems. The Group is working proactively with these hedge funds to help them unwind in an orderly fashion. Mr Le Blanc commented on the stress testing applied to the Group's exposure to hedge funds. The top 12 hedge fund relationships are managed closely and monitored for any signs of stress. Mr Ricci reported that the Endeavour and ECM funds are showing some signs for concern and, in the case of ECM, Wachovia has injected additional capital.

The Committee noted the report.

3.2 STRESS TESTING

Before turning to the Stress Testing paper, Sir Richard Broadbent asked Mr Lucas and Mr Le Blanc to update the Committee on discussions that had taken place with the FSA prior to the Committee meeting.

Mr Lucas advised the Committee that the results of the macro-economic stress testing had been shared with the FSA, but they had requested some further stress-testing based on a single event that would give rise to a one-off significant loss over a one-month timeframe. It has been estimated that this could result in a loss of £850m (pre-tax) in a reasonably severe scenario. Such a loss could be absorbed without breaching minimum capital ratios. The FSA has indicated that it would like to establish what scenario might produce a significant loss on Monoline exposure over a one-month period and the resultant impact on capital ratios. Mr Le Blanc advised the Committee that work is under way to provide that estimate for the FSA.

Marcus Agius advised the Committee that, in his recent meeting with the FSA, they had focused on the equity ratio and wished to be satisfied that the Board has examined potential severe scenarios and their likely impact and that the non-executive Directors have challenged management thoroughly. The Board meeting on 20 March 2008 will therefore consider a paper on capital management and will consider contingency planning in the event of a severe shock.

The Committee concluded that the extreme scenarios discussed by the FSA would require assumptions of systemic or catastrophic failure of the financial system and noted the status of the current discussions with the FSA.

James Belmont joined the meeting.

Mr Le Blanc, supported by James Belmont, presented the Stress Testing paper, which had been circulated to Committee members in advance of the meeting.

Moderate and severe scenarios had been modelled over a three year period. This included assumptions that mitigating actions by management would have a 10% benefit in year 1, a 30% benefit in year 2 and a 60% benefit in year 3. In the moderate scenario, PBT would decline by a cumulative £3.7bn compared to Plan over three years. In the severe scenario, a market dislocation event had been included at the outset and PBT would decline by a cumulative £8.8bn compared to Plan over three years. Actions would be required to improve capital ratios,. with the equity ratio reaching a low point of 4.6% under the severe scenario.

Mr Belmont confirmed that the stress testing exercise covered industry stress that would affect peers and feed into the pricing of assets. The Committee discussed the impact of the stress scenario on liabilities as well as assets and Mr Lucas confirmed that, while the stress testing took into account the cost impact, the ability to fund the balance sheet was covered by other tests.

The Committee noted the actions that the Executive Committee had requested to ensure that there is early warning and reaction to emerging scenarios.

Sir Richard Broadbent asked that the Committee look at the stress testing exercise ahead of the next FSA ARROW process.

The Committee noted the report.

James Belmont left the meeting.

4. RISK APPETITE AND RISK PROFILE

4.1 GROUP RISK PROFILE REPORT

Mr Le Blanc, supported by Mr Ricci and Norbert Schnadt, presented the Group Risk Profile Report, which had been circulated to Committee members in advance of the meeting.

Wholesale Credit Risk

Mr Ricci provided an update on BGI. BGI had, in 2007, provided protection to its 2a7 Funds and also to its cash 2S Funds. A guarantee of $360m had been provided in 2007, of which $180m had been utilised in 2007 and the remainder utilised in early 2008 after the value of the underlying assets had continued to fall. The guarantee had been provided to BGI on an arms length basis. It is likely that a further guarantee will need to be put in place, which will be at a cost to BGI and so impact the BGI P&L. Discussions are under way with BGI as to the extent to which the cash 2S Funds would continue to be protected, as there is no obligation to protect them. There is an obligation to protect the 2a7 Funds. Consideration is being given to finalising work on a different approach to providing support to the funds.

The Committee discussed the potential reputational risk of ceasing to protect the funds and noted the minimal bad publicity that Standard Chartered had attracted when it had withdrawn from the Whistlejacket SIV, although it was not possible to assess the impact on Standard Chartered's clients of this action. BGI had taken $1bn of assets onto the balance sheet in order to protect clients and these continued to be marked-to-market.

The Committee concluded that the decision to continue to protect the funds is a commercial and reputational decision for management. Sir Richard Broadbent suggested that the Committee may wish to consider BGI risk trends at a future meeting, given the cost of supporting its money market funds.

Rich Ricci left the meeting.

Retail Credit Risk

Mr Le Blanc reported that retail credit performance in the UK portfolios remain on plan, despite the weakening environment. The concern in the UK was FirstPLUS rather than cards or mortgages. In addition, there are some initial signs of stress in the US, South African and Spanish markets.

Sir Richard Broadbent noted the early action being taken in US Cards, which is encouraging given past experience with Barclaycard in the UK.

The Committee discussed the growing business in India and whether the dislocation in Western markets could spread to the Asia-Pacific market. Mr Le Blanc reported that underlying economic growth in India is predicted to be at 6-8% (from 8-10%) and so remains strong. While it would be preferable to have a 6-12 month test and learn period for new products, the business plan was for faster growth. The growth of the business is being closely monitored, particularly as personal indebtedness is relatively high, despite the good macro-economic conditions, and there are some concerns that the client base is predominantly made up of those who already had some leverage.

Pension Risk

Mr Lucas reported that the assumptions around mortality were conservative and the valuations should show a surplus. A potential deficit is therefore not of immediate concern, although longer-term issues around scheme-specific funding need to be addressed and accounting changes in 2009 may give rise to increased volatility.

Norbert Schnadt left the meeting.
Jon Stone and Miles Storey joined the meeting.

5. KEY RISK ISSUES

5.1 LIQUIDITY RISK – UPDATE AND DEVELOPMENTS

Jon Stone and Miles Storey presented the paper on Liquidity Risk, which had been circulated to Committee members in advance of the meeting, and highlighted the following:

Customer deposits across UK Retail Banking, Barclays Commercial Bank and Barclays Wealth had grown over time and analysis demonstrated that the growth is in "sticky" rather than rate-sensitive, mobile balances. This analysis had been of interest to the FSA.

In Barclays Capital, the overall short-term profile up to one month has remained broadly stable in the period July 2007-January 2008. Action has been taken to raise term liquidity in the 2-12 month periods without moving market rates and, to date, £11bn has been raised against the target of £10bn.

Illiquidity in the market has proved to be more a function of general caution on the part of the providers of liquidity as opposed to anything associated with the Barclays name and reputation. The liquidity position is reviewed on a daily basis. The Group is not paying consistently above BBA LIBOR and use of European central bank funding has been in the course of normal operations and in line with expectations for a bank of its size.

The Committee noted the report and congratulated the Treasury team for its management of the liquidity position.

Jon Stone and Miles Storey left the meeting.

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6. RISK APPETITE AND RISK PROFILE

6.1 REVIEW OF MANDATE AND SCALE LIMITS

It was agreed that the paper on Review of Mandate and Scale Limits would be deferred to the June meeting. The Group would continue to review and revise existing limits in the meantime.

7. RISK CONTROL FRAMEWORK

7.1 REVIEW OF THE GROUP'S INTERNAL CONTROL AND ASSURANCE FRAMEWORK

The Committee noted the update on the Group's Internal Control Framework, which had been circulated to Committee members in advance of the meeting.

Having considered the paper, the Committee concluded that the design and completeness of the Group's Internal Control Framework remains fit for purpose.

Paper for information
Basel II Update

<u>EXHIBIT 99</u>

FILED UNDER SEAL

PAPER FOR BOARD MEETING ON THURSDAY
20 MARCH 2008

Agenda Item No.

1.2(2)(a)

TO: The Directors

FROM: Robert Le Blanc

DATE: 14 March 2008

SUBJECT: QUARTERLY RISK UPDATE

The overall risk environment remains very challenging across many sectors, reflecting reduced market liquidity, constrained credit conditions, and slowing economic conditions in major markets.

Overall Market Environment
With the ongoing credit market turbulence, banks and investors have taken a more defensive trading and investment posture. Capital market activity has remained subdued, with reduced volumes in many areas, including Leveraged, ABS, Bank capital instruments, and others. Concern over the future of the major Monolines remains an important factor, and despite their recent efforts to raise new capital, further pressure on their AAA-rating and business model is likely.

Institutional short-term funding markets have also come under renewed strain amid signs that banks are preserving liquidity and being cautious with credit due to unanticipated balance sheet growth, reduced capital ratios and increased counterparty risk. LIBOR rates have widened further relative to intervention rates, as have financial institution and corporate bond spreads as well as interest rate swap spreads. The concerted action by the major Central Banks this week to improve market liquidity was well received, although the institutional funding market remains difficult.

Wholesale Credit Risk
We expect conditions in wholesale credit markets to remain challenging throughout 2008. Although some credit metrics in the US, UK, Spain and South Africa have so far remained stable, others are weaker and we remain watchful for signs that a downturn may be longer and more severe than previously expected. For example, BarCap watchlist balances continue to increase as counterparties are impacted by the market turmoil, and the Spanish property sector continues to slow and has seen further rises in Early Warning List balances.

Sub-Prime & Alt-A: Conditions in the US Sub-Prime markets have weakened further during Q1 2008 with market delinquency rates reaching 25% and sub-prime RMBS prices falling to new lows. Our sub-prime exposure (net of hedges and write-downs) reduced from £13.5bn to £9.7bn during H2 2007, and was broadly unchanged to end January. Alt-A assets (above sub prime in quality) have been broadly stable at about £5bn since October 2007. The Alt-A (near-prime) sector has seen overall rising delinquencies, which are resulting from previous underwriting standards, as with those that affected 2006 sub-prime vintages. Barcap impairment for February YTD reflects further write down of about £220m across these assets.

Sub-Prime exposure also includes £3.2bn of whole loans, predominantly originated by EquiFirst since March 2007. Our underwriting criteria for these assets have been progressively tightened, with the withdrawal of higher risk programmes including Non-Owner Occupied lending; 2nd Lien lending; Stated Document lending and certain riskier Adjustable Rate Mortgages (ARMs). Maximum LTV's have been reduced, with the eligible product maximum driven by FICO score, payment history, serviceability, level of documentation provided and loan size. EquiFirst continue to originate c£100m per month at average LTVs below 80%.

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Monoline Insurers: The biggest monolines, MBIA and Ambac, had their AAA ratings confirmed by Moody's and S&P in February following the addition of new capital. With this capital raising share prices have continued to fall, and ratings remain subject to downgrade if conditions worsen. Barclays most significant exposure arises from bonds we hold that benefit from a monoline guarantee; our mark to market exposure stood at £1.93bn at end February, up from £1.3bn at year end.

Hedge Funds: Peloton Partners was forced to liquidate their flagship $2bn ABS fund in late February. The fund had sustained losses on its $6bn investments (long positions in the ABX index) and pressure from credit-providers to tighten terms made it impossible to meet margin calls. Another hedge fund, Carlyle Capital, which had invested over $20bn mainly in AAA mortgage securities issued by Fannie Mae and Freddie Mac, requested a standstill agreement on 10 March as repo counterparties began liquidating collateral to meet margin calls. BarCap lost £23mn in the enforced rapid liquidation of Peloton. BarCap does not have any exposure to the Carlyle fund.

Our hedge fund industry exposure is collateralised, with an average haircut over 20%. Risk appetite is expressed as an aggregate $2bn of Potential Unsecured Exposure (defined as mark to market, minus collateral, minus value at risk during liquidation period). Current aggregate exposure is c$1.5bn. Work is under way to develop a stress-based limit calibrated to the current market.

Leveraged Finance: Market disruption has continued to depress investor demand for leveraged paper and private equity deal flow has stopped for the time being. We continue with small scale and selective origination on terms with stronger covenants, lower leverage and higher credit margins than 12 months ago. Our exposure to stale underwriting positions is steady at £7.4bn net of £0.2bn of write-downs. We remain comfortable with the credit quality of our largest exposures including Boots (£0.7bn), AA Saga (£2.5bn) and Alltel (£2.3bn) and performance is being closely tracked.

Kenya: The political environment in Kenya became a major concern following the recent elections. Our corporate portfolio in Kenya is just over £1bn. The portfolio position continues to be managed intensively as conditions have somewhat stabilised.

Retail Credit Risk

Environment: In the UK, credit card delinquency rates as shown by securitisation data have been generally stable and our performance has been in line with these. Industry levels of personal insolvency have fallen, reflected in a fall in year-on-year charge-offs due to bankruptcy. UK Personal sector indebtedness is, however, at unprecedented high levels. Affordability is stretched, with vulnerability to credit pricing and cost of living changes important current determinants to delinquency performance. House prices, mortgage approvals and repossessions all point to a weaker housing market in 2008. Eurozone Gross Domestic Product (GDP) remained steady but Spanish confidence indices fell in 2007 due to rising unemployment, higher household debt and increasing mortgage arrears. In South Africa, industry-wide delinquency rates rose as interest rates climbed to 14.5% (up 400bps since Jun 06) and customer indebtedness increased. Delinquent balances continue to rise across the US card industry due to higher unemployment, a slowing retail sector, housing market stress, and the effects of minimum payment legislation.

Barclaycard: The quality of business in the Barclays Branded Cards portfolio remains strong through the active recruitment of good balances, a resulting rise in approval rates, and a targeted credit line increase programme. The US card environment will remain very challenging in 2008. Although Barclaycard US delinquent balances are under pressure due to minimum payment legislation and the continued unfavourable economic environment, mitigating actions have kept arrears levels stable. This includes stricter underwriting criteria, increased collections capacity, expansion of the sub-prime mortgage exclusion area from 11 to 21 US states and changes to Credit Line Increase (CLI) and Credit Line Decrease (CLD) criteria.

UKRB: The UK Home Finance residential and buy-to-let (BTL) portfolios continue to perform well with low underlying collections balances. Our concentration on the prime mortgage segment has contained losses at historically low levels. Although delinquency rates increased slightly in 2007, our performance is favourable to some peers where loss rates have risen. For example, the Barclays

Home Finance delinquency rate rose to 0.94% at Dec 07 (2006: 0.85%), which is less than half of Bradford and Bingley's rate. Policy has been tightened in areas of new build, the capitalisation of fees and BTL loan-to-value (LTV) ratios and rental interest coverage. On unsecured, the upgrade of Local Business collections capability has been successful in reducing the number of delinquent customers.

Spain: Delinquent balances continue to rise in line with overall market trends. The existing mortgage book has a Credit Risk Loss ratio of 35bps compared to 25bps six month ago but is, however, still considered prime with default levels below the market average. The average LTV of the portfolio remains low at 54%, with the average for business booked in 2007 at 62%. We have insurance for 98% of the portfolio with an LTV greater than 85%. We have taken risk-mitigating actions including policy tightening for high risk segments and hiring English-speaking collections staff to manage ex-pat mortgage arrears.

Emerging Markets: Rapid volume growth continues through the launch of new products and entry into new markets. Growth in excess of 100% is planned for 2008, achieved through the recruitment of Lead Generators (LGs) and an expanding branch network. New business in India is recruited through a network of 10,000 LGs. Early performance measures on segments of the India card and personal loan portfolios have been slightly weaker than expected, leading to stricter underwriting criteria, controlled through the use of bureau scores and analytics. Oversight continues to ensure risk infrastructure implementation and credit policy optimisations are executed on plan.

Absa: Delinquent balances grew significantly over the last quarter. Whilst seasonality accounts for some of this deterioration, underlying performance is weakening and mitigating actions are being undertaken in the collections area. Collections capacity was increased by more than 50% in 2007 by hiring almost 600 new people. Loan loss rates are expected to increase in 2008 as a result of the deteriorating macro-economic conditions and a new debt counselling process for accounts in collections, following the introduction of the National Credit Act during 2007.

Impairment Summary

The Retail impairment charge to Feb 08 was £309m, £2m favourable to Plan and £12m less than 2007. This performance was driven primarily by favourable delinquency performances in UK Cards and lower flows into recovery in Local Business, partially offset by an adverse performance in Barclaycard US as macro economic conditions deteriorate. The Wholesale charge was £331m at Feb 08, £237m adverse to Plan and £299m higher than 2007. The main driver for this performance was a charge of £275m (£229m adverse to Plan) in BarCap. The majority of this charge (£221m) was in respect of increased impairment allowance requirements against US CDO positions. As a result the overall Group impairment charge was £641m, £233m (57%) adverse to Plan and £287m (81%) higher than 2007. This together with a 12% rise in loan balances in 2008 to £438bn resulted in the annualized Group loss rate rising to 0.88% (Dec 07: 0.71%).

It is therefore likely that 2008 wholesale impairment will exceed Wholesale Credit Risk Appetite of £725m by more than 10%. When the end March RAF is complete, if this is the case then we will approach the Board with a variation request for this Risk Appetite level.

Market Risk

Environment: Credit spreads are substantially wider with investment grade names widening to 150bp and high yield spreads increasing to over 600bp, reflecting low liquidity and continued pressure to unwind or hedge ABS related and other counterparty exposure. Equity markets generally held up well throughout the quarter, but have weakened recently.

Barclays Capital DVaR and Stress: Average BarCap DVaR increased by £10m (to £53m) in the three months to Jan 08 reflecting increased outright interest rate positions in GBP and USD and higher credit spread related risk due to increased volatility and wider spreads. Similar increases in DVaR have been disclosed by peers, with Barclays Capital at the low end of the industry reported year-on-year increases for both average and year-end DVaR.

We have approved a permanent £10m limit increase to £70m for total BarCap DVaR, and several risk factor limits and stress triggers have been adjusted upwards to facilitate opportunities and also to reflect the impact of more volatile markets, particularly in interest rates and commodities.

BGI: Total BGI own-investment in funds now stands at £365m and includes £290m in two BGI-managed multi-strategy fund of hedge funds, £55m of seed funding in two external hedge funds and some small CDO and private equity investments. A mandate and scale cap has been set to keep Earnings at Risk (potential loss over 1 year at 98%) from these exposures below £55m, calibrated to be limited to about 20% of Active Fund annual income. Current exposure is £41m.

In February Standard Chartered announced that its SIV, Whistlejacket, had breached its equity NAV trigger due to a sharp decline in asset values, putting the vehicle into receivership. BGI cash funds hold approximately $1.8bn of Whistlejacket-issued paper, of which $975m was purchased by Barclays to mitigate the risk of asset value falls in several money market cash funds.

Financial Crime

Fraud losses in Jan 08 were £24m, against Plan of £16m, driven by balance transfer fraud at Barclaycard, higher debit card fraud and two large cheque frauds in Sub-Saharan Africa.

Mortgage Fraud: A City of London Police report has quantified industry mortgage fraud at £700m against industry lending of £370bn in 2007. We have worked closely with the City of London Police on this review and have stepped up intelligence sharing across the Barclays businesses on suspicious solicitors and valuers. Work is also underway to review processes surrounding the mortgage application stage, including initial identification checks and disposable income verification.

Identification and Verification Review: Following a number of incidents, a full review is underway for both telephony and network identification procedures. A universal solution is being sought to identify customers via whichever channel they use to transact with us.

Fraud Risk Infrastructure: A new fraud detection system is to be piloted in India with plans to go live by mid April. If successful the system could be rolled out across Emerging Markets in 2008.

Operational Risk

In January Société Générale (SG) disclosed trading losses of €4.9bn from unauthorised market transactions involving a long position of c.€50bn in equity index futures. Much of the loss was realised during the period of time required to close the position during the equity market sell-off in late January. The position had been concealed by the trader booking fictitious deals and creating supporting emails and documentation. The losses at SG highlighted a series of important middle office control failures around trade booking, position reconciliation, and customer transaction confirmations.

Barclays Capital has conducted two reviews of middle office controls following the SG incident. The first review has been completed and sought to confirm whether Barclays Capital had similar concealed losses in its equities business. No material issues were found by this review. The second review is nearing completion, and more rigorously explores the controls around a number of areas including trading, key reconciliations, IT security, and oversight of dealing risk. Some weaknesses have been identified and actions plans to remediate are being confirmed.

Our overall operational risk events as a percentage of revenues remained steady at 1.2% in the 12 months to Jan 08 (12 months to Oct 07: 1.3%). There were four new notable internal risk events, relating to lending errors in UKRB, middle office trade handling in BarCap, a fraud in Absa and late fees non-collection in Barclaycard. Customer complaint volumes at UKRB declined with lower PINsentry complaints, and there were higher complaints at FirstPlus regarding interest rate increases.

Forward Risk Trends

I attach, for information, the summary page from a paper on Forward Risk Trends that will be debated by the Board Risk Committee at its meeting on 19 March.

Forward Risk Trends Mar 08

This paper provides an update on the 12 risk trends recently presented to ExCo by Risk for inclusion on Active Watchlist, for agreement of next steps or for noting. An appendix updates actions agreed following the Oct 07 risk discussion.

Pg	Area	Comments	ExCo Action	Risk Trend
1)	EquiFirst	EquiFirst origination continues at reduced levels on tightened criteria. Forward portfolio performance is difficult to predict and opportunity to sell assets remains limited. BarCap management continues to monitor performance and review strategy.	Active Watchlist	→
2)	BCB Leveraged Finance	Exposure to Financial Sponsors leveraged loans fell in 2007, with some growth in the corporate leveraged book. For 2008, the Financial Sponsors book is constrained.	Active Watchlist	→
3)	Indian Retail Lending	Retail lending is expanding rapidly. We are reviewing risk appetite for 2008 business plans in consideration of delays in infrastructure roll out.	Active Watchlist	↑
4)	Kenya	Civil unrest after contested elections has hit Kenya's key foreign exchange earners. Transfer and convertibility risks have escalated in the absence of a political solution.	Active Watchlist	↑
5)	BarCap Impairment and Watch Lists	Corporate credit performance remains steady but the wholesale environment remains challenging. Watch list balances have grown, largely due to CDO and FI counterparties being added.	Active Watchlist	↑
6)	Monolines	Barclays has exposure mainly via guarantees provided for securities that we hold ("negative basis" trades). Losses would require significant financial deterioration of the monoline guarantors.	Active Watchlist	↑
7)	Barclaycard US (Middle Market)	Delinquency levels have increased and we have tightened credit criteria. Portfolio performance remains in an acceptable range and is monitored closely.	Active Watchlist	↑
8)	Absa Mortgages, Cards and Loans	Delinquent balances have been rising and 2008 impairment is forecast to rise 36% to £183m. Although portfolio performance remains acceptable, it is untested in the current developing environment.	Active Watchlist	↑
9)	FirstPlus	Tightened underwriting criteria over the past year reflect our reduced risk appetite. As a result, balance sheet growth has slowed and the credit quality of new business has improved.	Active Watchlist	→
10)	UK Pension Fund	The fund trustees plan to rotate £6bn of investments out of bonds into funds and derivatives. This could also allow us to de-risk the scheme and we should consider recommending this to the trustees.	Agree next steps	→
11)	BarCap DVaR	Underlying DVaR has risen sharply due to price volatility and lower diversification. A new permanent limit of £70m is now set, allowing BarCap to create sufficient headroom against agreed MTP appetite.	For noting	↑
12)	Commercial Property	The environment for commercial property lending is weakening and we are holding caps steady. Selective origination may see moderate growth within these caps, which will be reviewed again in July.	For noting	→

1.

PAPER FOR BOARD MEETING ON THURSDAY 20 MARCH 2008

Agenda Item No.
1.2(2)(b)

TO: The Directors

FROM: Mark Harding

DATE: 14 March 2008

SUBJECT: QUARTERLY LEGAL RISK REPORT

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EXHIBIT 100

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CITIGROUP'S 2007 ANNUAL REPORT ON FORM 10-K

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Credit Risk Mitigation

As part of its overall risk management activities, the Company uses credit derivatives and other risk mitigants to hedge portions of the credit risk in its portfolio, in addition to outright asset sales. The purpose of these transactions is to transfer credit risk to independent third parties. The results of the mark-to-market and any realized gains or losses on credit derivatives are reflected in the Principal Transactions line on the Consolidated Statement of Income. At December 31, 2007 and 2006, \$123.7 billion and \$93.0 billion, respectively, of credit risk exposure were economically hedged. Citigroup's expected loss model used in the calculation of our loan loss reserve does not include the favorable impact of credit derivatives and other risk mitigants. The reported amounts of direct outstandings and unfunded commitments in this report do not reflect the impact of these hedging transactions. At December 31, 2007 and 2006, the credit protection was economically hedging underlying credit exposure with the following risk rating distribution:

Rating of Hedged Exposure

	2007	2006
AAA/AA/A	**53%**	49%
BBB	**34**	41
BB/B	**11**	10
CCC or below	**2**	—
Total	**100%**	100%

At December 31, 2007 and 2006, the credit protection was economically hedging underlying credit exposure with the following industry distribution:

Industry of Hedged Exposure

	2007	2006
Telephone and cable	**11%**	9%
Utilities	**9**	10
Petroleum	**7**	6
Agriculture and food preparation	**6**	7
Insurance	**5**	4
Autos	**5**	5
Other financial institutions	**5**	5
Retail	**5**	5
Industrial machinery and equipment	**5**	4
Chemicals	**4**	4
Pharmaceuticals	**4**	4
Natural gas distribution	**3**	3
Global information technology	**3**	3
Metals	**3**	3
Investment banks	**3**	3
Airlines	**2**	3
Business services	**2**	3
Forest products	**2**	2
Banks	**2**	2
Entertainment	**2**	2
Other industries (1)	**12**	13
Total	**100%**	100%

(1) Includes all other industries, none of which is greater than 2% of the total hedged amount.

Direct Exposure to Monolines

In its Securities and Banking business, the Company has exposure to various monoline bond insurers listed in the table below ("Monolines") from hedges on certain investments and from trading positions. The hedges are composed of credit default swaps and other hedge instruments. The Company recorded \$967 million in credit market value adjustments in 2007 (\$935 million in the fourth quarter) on the market value exposures to the Monolines as a result of widening credit spreads.

The following table summarizes the net market value of the Company's direct exposures to and the corresponding notional amount of transactions with the various Monolines as of December 31, 2007 in Securities and Banking:

In millions of dollars at December 31, 2007	**Net Market Value Exposure**	Notional Amount of Transactions
Direct Subprime ABS CDO Super Senior:		
AMBAC	$ 1,815	$ 5,485
FGIC	909	1,460
ACA	438	600
Radian	100	100
Subtotal Direct Subprime ABS CDO Super Senior	**$ 3,262**	**$ 7,645**
Trading Assets—Subprime:		
AMBAC	$ 1,150	$ 1,400
Trading Assets—Subprime	**$ 1,150**	**$ 1,400**
Trading Assets—Non Subprime:		
MBIA	$ 395	$ 5,620
FSA	121	1,126
ACA	50	1,925
Assured	7	340
Radian	5	350
AMBAC	—	1,971
Trading Assets—Non Subprime	**$ 578**	**$ 11,332**
Subtotal Trading Assets	**$ 1,728**	**$ 12,732**
Credit Market Value Adjustment	**$ (967)**	
Total Net Market Value Direct Exposure	**$ 4,023**	

As of December 31, 2007, the Company had \$10.5 billion notional amount of hedges against its Direct Subprime ABS CDO Super Senior positions, as disclosed in the fourth quarter earnings release. Of that \$10.5 billion, \$7.5 billion was purchased from Monolines and is included in the \$7.6 billion in notional amount of transactions in the table above. The net market value of the hedges provided by the Monolines against our Direct Subprime ABS CDO Super Senior positions was \$3.3 billion.

In addition, there was \$1.7 billion of net market value exposure to Monolines related to our trading assets. Trading assets include trading positions, both long and short, in U.S. subprime residential mortgage-backed securities (RMBS) and related products, including ABS CDOs. There were \$1.4 billion in notional amount of transactions related to subprime positions with a net market value exposure of \$1.2 billion. The notional amount of transactions related to the remaining non-subprime trading assets was \$11.3

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billion with a corresponding net market value exposure of $578 million. The $11.3 billion notional amount of transactions comprised $4.1 billion primarily in interest rate swaps with a corresponding net market value exposure of $34 million. The remaining notional amount of $7.2 billion was in the form of credit default swaps and total return swaps with a net market value exposure of $544 million.

The net market value exposure, net of payable and receivable positions, represents the market value of the contract as of December 31, 2007. The notional amount of the transactions, including both long and short positions, is used as a reference value to calculate payments. The credit market value adjustment is a downward adjustment to the net market value exposure to a counterparty to reflect the counterparty's creditworthiness.

In Global Consumer, the Company has purchased mortgage insurance from various monoline mortgage insurers on first mortgage loans. The notional amount of this insurance protection is approximately $600 million with nominal pending claims against this notional amount.

In addition, Citigroup has indirect exposure to Monolines in various other parts of its businesses. For example, corporate or municipal bonds in the trading business may be insured by the Monolines. In this case, Citigroup is not a party to the insurance contract. The table above does not capture this type of indirect exposure to the Monolines.

Exposure to Commercial Real Estate

In its *Securities and Banking* business, the Company, through its business activities and as a capital markets participant, incurs exposures that are directly or indirectly tied to the global commercial real estate market. These exposures are represented primarily in three categories:

Trading Positions: approximately $20 billion of net trading related exposures recorded at fair value. The majority of these exposures are classified as Level 3 in the fair value hierarchy. In recent months, weakening activity in the trading markets for some of these instruments resulted in reduced liquidity, thereby decreasing the observable inputs for such valuations and *could have* an adverse impact on how these instruments are valued in the future if such conditions persist. Changes in the values of these positions are recognized through revenues.

Loans: the exposures related to loans are primarily recorded at cost. The impact from changes in credit is reflected in the calculation of the allowance for loan losses and in net credit losses.

Commitments to fund loans: when funded, will be treated as loans in the paragraph above.

The Company's exposure related to loans and commitments to fund loans that are directly or indirectly related to the global commercial real estate market is significantly greater than the exposure related to its trading positions and could be adversely affected by deteriorating economic, credit and market conditions.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 28, 2007
Commission file number: 1-7182

Merrill Lynch & Co., Inc.

(Exact name of Registrant as specified in its charter)

Delaware	**13-2740599**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
4 World Financial Center, New York, New York	**10080**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 449-1000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $1.33 1/3 per share	New York Stock Exchange Chicago Stock Exchange
Depositary Shares representing 1/1200th share of Floating Rate Non-Cumulative Preferred Stock, Series 1; Depositary Shares representing 1/1200th share of Floating Rate Non-Cumulative Preferred Stock, Series 2; Depositary Shares representing 1/1200th share of 6.375% Non-Cumulative Preferred Stock, Series 3; Depositary Shares representing 1/1200th share of Floating Rate Non-Cumulative Preferred Stock, Series 4; Trust Preferred Securities of Merrill Lynch Capital Trust I (and the guarantees with respect thereto); Trust Preferred Securities of Merrill Lynch Capital Trust II (and the guarantees with respect thereto); Trust Preferred Securities of Merrill Lynch Capital Trust III (and the guarantees with respect thereto); Depositary Shares, Each Representing a 1/1200th Interest in a Share of Floating Rate Non-Cumulative Preferred Stock, Series 5; Depositary Shares, each representing a 1/40th interest in a share of 6.70% Noncumulative Perpetual Preferred Stock, Series 6; Depositary Shares, each representing a 1/40th interest in a share of 6.25% Noncumulative Perpetual Preferred Stock, Series 7;	New York Stock Exchange

See the full list of securities listed on the American Stock Exchange and The NASDAQ Stock Market on the pages directly following this cover.

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☑

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of the close of business on June 29, 2007, the aggregate market value of the voting stock, comprising the Common Stock and the Exchangeable Shares, held by non-affiliates of the Registrant was approximately $71.7 billion.

As of the close of business on February 15, 2008, there were 969,007,029 shares of Common Stock and 2,542,982 Exchangeable Shares outstanding. The Exchangeable Shares, which were issued by Merrill Lynch & Co., Canada Ltd. in connection with the merger with Midland Walwyn Inc., are exchangeable at any time into Common Stock on a one-for-one basis and entitle holders to dividend, voting and other rights equivalent to Common Stock.

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The following table provides a summary of our U.S. super senior ABS CDO net exposures and our secondary trading exposures related to our ABS CDO business as of December 28, 2007. Derivative exposures are represented by their notional amounts as opposed to fair value.

(DOLLARS IN MILLIONS)	NET EXPOSURES AS OF DEC. 28, 2007(1)	NET LOSSES FOR THE YEAR ENDED DEC. 28, 2007(2)
U.S. ABS CDO net exposures and losses:		
U.S. super senior ABS CDO net exposures:		
High-grade	$ 4,380	$ (7,362)
Mezzanine	2,184	(6,066)
CDO-squared	271	(1,163)
Total super senior ABS CDO net exposures and losses	6,835	(14,591)
Secondary trading	(1,997)	(2,104)
Total U.S. ABS CDO-related net exposures and losses	**$ 4,838**	**$ (16,695)**

(1) Represents long and short exposure of hedges. These hedges are affected by a variety of factors that impact the degree of their effectiveness, including differences in attachment point, timing of cash flows, control rights, litigation, the creditworthiness of the counterparty, limited recourse to counterparties and other basis risks.

(2) Primarily represents unrealized losses on net exposures. Amounts exclude credit valuation adjustments of negative $2.6 billion related to financial guarantor exposures on U.S. super senior ABS CDOs. See table regarding financial guarantor exposures.

Financial Guarantors

We hedge a portion of our gross exposures to U.S. super senior ABS CDOs with various market participants, including financial guarantors. Financial guarantors are generally highly rated monoline insurance companies that provide credit support for a security either through a financial guaranty insurance policy on a particular security or through an instrument such as a credit default swap ("CDS"). Under a CDS, the financial guarantor generally agrees to compensate the counterparty to the swap for the deterioration in the value of the underlying security upon an occurrence of a credit event, such as a failure by the underlying obligor on the security to pay principal or interest.

We hedged a portion of our gross exposures on U.S. super senior ABS CDOs with certain financial guarantors through the execution of CDS that are structured to replicate standard financial guaranty insurance policies, which provide for timely payment of interest and ultimate payment of principal at their scheduled maturity date. CDS gains and losses are based on the fair value of the referenced ABS CDOs. Depending upon the creditworthiness of the financial guarantor hedge counterparty, we may record credit valuation adjustments in estimating the fair value of the CDS.

At December 28, 2007 our short exposures from credit default swaps with financial guarantors to economically hedge certain U.S. super senior ABS CDOs was $13.8 billion, which represented credit default swaps with a notional amount of $19.9 billion that have been adjusted for mark-to-market gains of $6.1 billion. The fair value of these credit default swaps at December 28, 2007 was $3.5 billion, after taking into account a $2.6 billion credit valuation adjustment related to certain financial guarantors. Subsequent to year-end, market conditions have deteriorated resulting in negative rating agency actions for certain financial guarantors. We continue to monitor industry and company specific developments. Further credit deterioration of the financial guarantors who are counterparties to our credit derivatives could have an adverse effect on our future financial performance.

The following table provides a summary of our total financial guarantor exposures for U.S. super senior ABS CDOs as of December 28, 2007.

(DOLLARS IN MILLIONS)	NOTIONAL OF CDS(1)	NOTIONAL OF CDS, NET OF GAINS PRIOR TO CREDIT VALUATION ADJUSTMENT	MARK-TO-MARKET GAINS PRIOR TO CREDIT VALUATION ADJUSTMENTS	CREDIT VALUATION ADJUSTMENTS	MARK-TO-MARKET VALUE OF CDS
Credit Default Swaps with Financial Guarantors(2):					
By counterparty credit quality(3):					
AAA	$(13,237)	$ (9,104)	$ 4,133	$ (679)	$ 3,454
AA	–	–	–	–	–
A	–	–	–	–	–
BBB	–	–	–	–	–
Non-investment grade or unrated	(6,664)	(4,735)	1,929	(1,929)	–
Total	$(19,901)	$ (13,839)	$ 6,062	$ (2,608)	$ 3,454

(1) Represents gross notional amount of credit default swaps purchased as protection for U.S. super senior ABS CDOs. Amounts do not include counterparty exposure with financial guarantors for other asset classes.

(2) Excludes the benefit of $2.0 billion (notional) of credit default swaps purchased from unrelated third parties as protection for exposure to financial guarantors, as well as the related positive mark-to-market adjustments.

(3) Represents rating agency credit ratings as of December 28, 2007.

EXHIBIT 102

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2007

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 1-15060

UBS AG

(Exact Name of Registrant as Specified in Its Charter)

Switzerland
(Jurisdiction of Incorporation or Organization)
Bahnhofstrasse 45
CH-8001 Zurich, Switzerland
and
Aeschenvorstadt 1,
CH-4051 Basel, Switzerland
(Address of Principal Executive Offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act:
Please see page 3.

Securities registered or to be registered pursuant to Section 12(g) of the Act:
Please see page 4.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
Please see page 4.

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of 31 December 2007:

Ordinary shares, par value CHF 0.10 per share: 2,073,547,344 ordinary shares (including 158,105,524 treasury shares)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☑ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934.

Yes ☐ No ☑

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Audited

Exposure[1] to monoline insurers, by rating

	31.12.07				
USD billion Credit protection bought from monoline insurers rated[2]	Notional amount[3] Column 1	Fair value of underlying CDOs[4] Column 2	Fair value of CDSs[5] prior to credit valuation adjustment Column 3 (=1–2)	Credit valuation adjustment in 2007 Column 4	Fair value of CDSs after credit valuation adjustment Column 5 (=3–4)
A or higher					
on US sub-prime residential mortgage-backed securities (RMBS) CDOs high grade	7.1	4.7	2.4	0.2	2.2
on US sub-prime RMBS CDOs mezzanine	1.1	0.6	0.5	0.0	0.5
on other US RMBS CDO	1.0	0.8	0.2	0.0	0.2
Total	**9.2**	**6.1**	**3.1**	**0.2**	**2.9**
Non-investment grade or unrated					
on US sub-prime RMBS CDOs high grade	0.0	0.0	0.0	0.0	0.0
on US sub-prime RMBS CDOs mezzanine	1.6	1.1[6]	0.5	0.4	0.1
on other US RMBS CDO	0.8	0.6[6]	0.2	0.2	0.0
Total	**2.4**	**1.7[6]**	**0.7**	**0.6**	**0.1**
Credit protection on US RMBS CDO	**11.6[7]**	**7.8**	**3.8**	**0.8**	**3.0[7]**
Credit protection on other than US RMBS CDOs	**12.6[7]**	**11.9**	**0.7**	**0.1**	**0.6[7]**

1 Excludes the benefit of credit protection purchased from unrelated third parties. 2 Categorization based on the lowest insurance financial strength rating assigned by external rating agencies. 3 Represents gross notional amount of credit default swaps (CDSs) purchased as credit protection. 4 Collateralized debt obligations (CDOs). 5 Credit default swaps (CDSs). 6 Remaining credit protection from non-investment grade monoline of USD 1.2 billion on sub-prime residential mortgage-backed securities (RMBS) CDOs and USD 0.6 billion on other RMBS CDOs is considered ineffective. 7 As of 31 December 2006, the notional amount of CDSs on US RMBS CDOs bought from monoline insurers was USD 6.7 billion and on other exposures USD 7.8 billion. The fair values of these CDSs were zero at that date.

Audited

On 31 December 2007, the total fair value of assets held by UBS in connection with the US RLN program was USD 13.2 billion.

The original credit protection of USD 3.8 billion is still intact. Cumulative fair value gains of USD 1.8 billion have been recognized on this credit protection in the income statement up to 31 December 2007 and the fair value of the remaining credit protection at 31 December 2007 was USD 2 billion.

Exposure to monoline insurers

The vast majority of UBS's direct exposure to the monoline sector arises from over-the-counter (OTC) derivative contracts – mainly credit default swaps (CDSs). Across all asset classes, the total fair value of CDS protection purchased from monoline insurers on 31 December 2007 was USD 3.6 billion, after credit valuation adjustments of USD 957 million (CHF 1,091 million) in 2007, all of which were taken in

Audited

Reference-linked note program

Reference-linked notes (RLN) are credit-linked notes issued by UBS referenced to an underlying pool of assets which are consolidated on UBS's balance sheet. The assets consist of a variety of fixed income positions, including corporate bonds, collateralized loan obligations, residential mortgage-backed securities (RMBSs), commercial mortgage-backed securities, collateralized debt obligations (CDOs) and other asset-backed securities. The proceeds of the notes provide UBS with credit protection against defined default events in the underlying asset pool up to a certain percentage. The notes have a maturity that is generally longer than the life of the instruments included in the underlying pool.

Through the lifetime of each RLN, UBS will realize losses if defaults in the underlying asset pool exceed the percentage protection, or if assets which do not ultimately default are sold at a loss.

Up to maturity, UBS is subject to revenue volatility as the RLN program is classified as held for trading under International Financial Reporting Standards (IFRS) and is therefore carried at fair value. Since the inception of the US RLN program, the credit protection has been valued using approaches that UBS considers to be consistent with market standard approaches for tranched credit protection. UBS seeks to actively manage its risk exposures in connection with the US RLN program via derivative and cash market positions. This can also contribute to revenue volatility.

Table of Contents

Audited

Leveraged finance commitments

USD billion	As of 31.12.07[1]
Total	11.4
Of which old deals	5.6
funded	3.2
Of which new deals	5.8
funded	4.2

1 The total equivalent position at 31 December 2006 was total USD 12.3 billion, of which the funded component was USD 0.9 billion.

Audited

fourth quarter. Of these totals, USD 2.9 billion represents CDSs bought as protection for portfolios of US RMBS CDO, after credit valuation adjustments of USD 871 million (CHF 993 million) in fourth quarter.

Direct exposure to monoline insurers is calculated as the sum of the fair values of individual CDSs. This, in turn, depends on the valuation of the instruments against which protection has been bought. A positive fair value, or a valuation gain, on the CDS is recognized if the fair value of the instrument it is intended to hedge is reduced.

The table on the previous page shows the CDS protection bought from monoline insurers. It illustrates the notional amounts of the protection originally bought, the fair value of the underlying CDOs and the fair value of the CDSs both prior to and after credit valuation adjustments taken for these contracts in 2007.

In fourth quarter 2007, UBS took credit valuation adjustments of USD 588 million (CHF 670 million) on CDSs on US RMBS CDOs purchased from a monoline insurer whose credit rating was downgraded to "non-investment grade". These valuation adjustments reflect the degree to which UBS considers its claims against this monoline counterparty to be impaired. For risk management purposes, the underlying US RMBS CDOs are treated as unhedged on 31 December 2007 and are included in the super senior RMBS CDO exposure in the table on page 11.

In its trading portfolio, UBS also has indirect exposure to monoline insurers through "monoline wrapped" securities issued by US states and municipalities, student loan programs and other asset-backed securities totaling approximately USD 11 billion on 31 December 2007 (approximately USD 8 billion on 31 December 2006).

Exposure to auction rate certificates

Auction rate certificates (ARCs) are long-term securities structured to allow frequent resetting of their coupon and, at the same time, the possibility for holders to redeem their investment, giving ARCs some of the characteristics of a short-term instrument. They are typically issued by US states, student loan programs, municipalities and related agencies and authorities, and may be wrapped by monoline insurers. An auction takes place at the beginning of each interest reset period to determine the coupon for that period.

UBS sponsors ARCs programs and although it is not obligated to do so, it has, from time to time, provided liquidity to the auction process by buying securities when there were not enough bids from investors. As a result of the continued deterioration of credit markets and concerns about the financial status of monoline insurers, the demand for ARC securities has been falling since fourth quarter 2007. In first quarter 2008 a number of auctions failed and the market has become illiquid, leading to valuation uncertainties.

On 31 December 2007, UBS had ARC positions in its trading inventory totaling USD 5.9 billion, of which USD 4.5 billion related to student loans. USD 1.9 billion of the student loans and USD 1.4 billion of the other ARCs are "monoline wrapped" and are included in the indirect exposures to monolines of USD 11 billion detailed above. There were no material writedowns on ARCs securities up to the end of 2007.

On 31 December 2006, UBS had ARC positions totaling USD 1.0 billion, of which USD 0.3 billion related to student loans. USD 0.1 billion of the student loans and USD 0.7 billion of the other ARCs were monoline wrapped.

Exposure to leveraged finance deals

UBS has leveraged finance commitments entered into both before and after the market dislocation in July 2007. Transactions since this dislocation typically have pricing terms and covenant and credit protection that are more favorable to underwriters and investors than those entered into in the first half of 2007. On 31 December 2007, commitments entered into by UBS before the dislocation ("old deals") amounted to USD 5.6 billion while those entered into subsequent to the dislocation ("new deals") totaled USD 5.8 billion.

EXHIBIT 103

FILED UNDER SEAL

From:	Haas, John: Barclays PLC [/O=BZW/OU=EUROPE/CN=BARCLAYSGROUP/CN=RETAIL.JOHN.HAAS]
Sent:	Monday, January 28, 2008 9:12:24 PM
To:	Le Blanc, Robert: Group Risk (LDN); Harris, Ruth: Barclays PLC; Fletcher, Dean: Operational Risk(LDN); Lago, Agustin: Barclays PLC; Nash, Ralph: Barclays PLC; Neale, Guy: Barclays PLC; Norton, Steve: Barclays PLC; Rachlin, Chris: Barclays PLC; Ridgway, David: Barclays Global Investors; Baumber, Paula: Barclaycard; Marie, Anne: Barclays PLC; Dempsey, Marilyn: Group Risk (LDN); Koekemoer, Zayda: Barclays PLC; Ojekwe, Stella: Barclays Africa; Proud, Carolyn: Barclays PLC; Evans, Scott: Barclaycard
CC:	Whittaker, John: Operational Risk (LDN); Witt, Lynne: Barclays PLC; Constantinou, Mike: Barclays PLC; Lazenby, Veronica: Barclays PLC; Scurr, Andrew: Barclays PLC; Johnston, Colin: Operational Risk (LDN); Duke, Nick: Barclays PLC
Subject:	GOREC Papers - 30th January Part 1
Attachments:	GOREC Agenda - 2008 01 30.doc; gorec minutes 19th December.doc; Session 0108 - GOREC Action Log 2008-01-30.xls; Session 0208 - SoxOR Harmonisation.ppt; Session 0208 - SoxOR Key Differences.doc; Session 0208 - SoxOR Strategic Framework.ppt; Session 0408 - CIRF ToR.doc; Session 0408 - Integrated Control Attestation Process BCS.ppt; Session 0408 - Integrated Control Attestation Process GRCB.ppt; Session 0408 - Integrated Control Attestation Process IBIM.ppt

The papers for the 30th January GOREC are attached below.

GOREC Agenda 2008 01 30.doc

gorec minutes 19th December.... Session 0108 GOREC Action L...

Session 0208 - SoxOR Harmoni... Session 0208 - SoxOR Key Diffe... Session 0208 - SoxOR Strategic... Session 0408 - CIRF ToR.doc Session 0408 - Integrated Cont... Session 0408 - Integrated Cont... Session 0408 - Integrated Cont...

Thank you.

John Haas
Operational Risk Reporting & Governance
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Tel: +44 (020) 7116 3477 cw 7 6006 3477

Document Produced in Native Format

DRAFT FOR DISCUSSION

Risk and Control Self Assessment (RCSA)
GRCB version

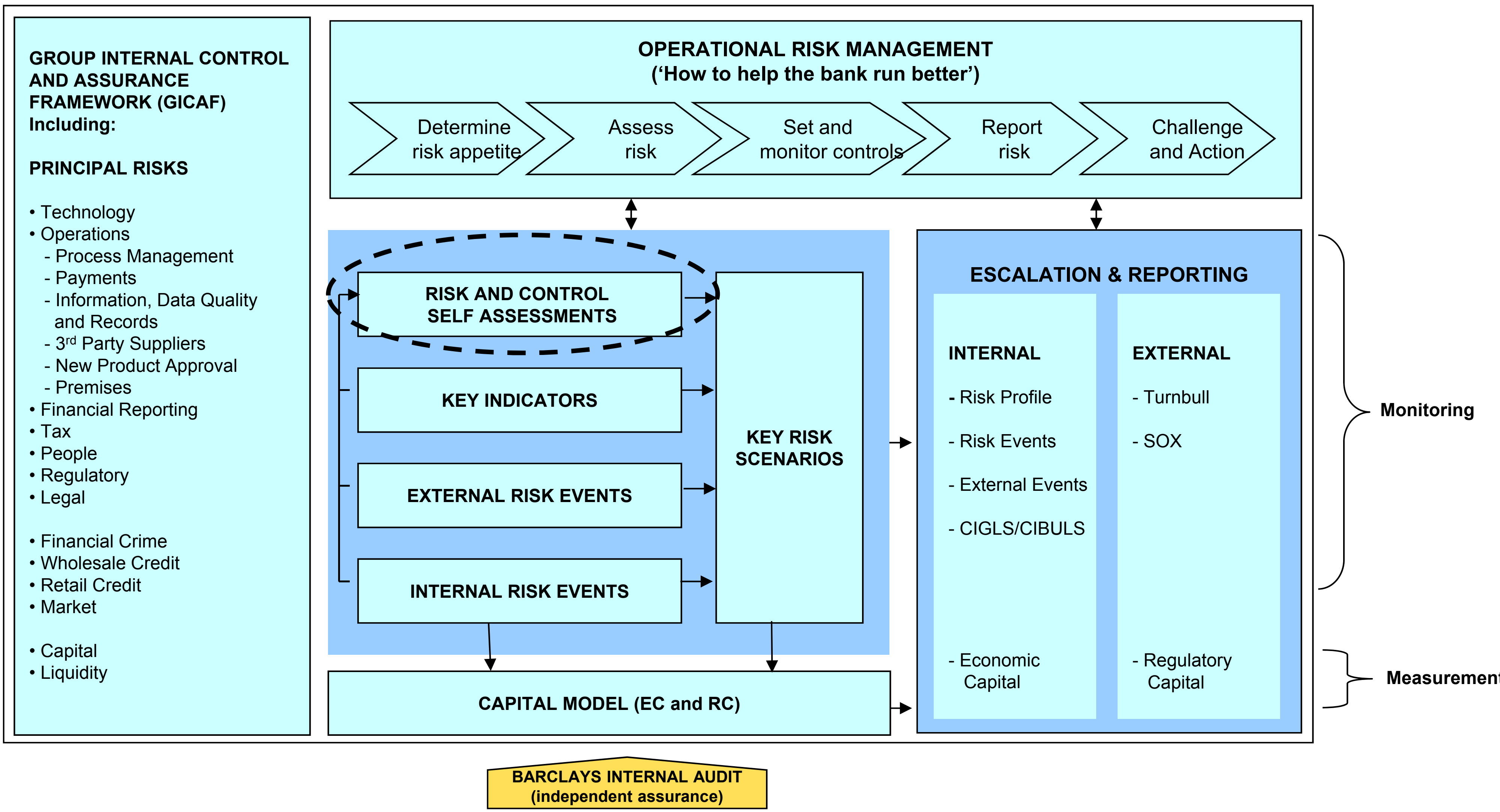
December 2007

Session 05/08

COMPANY CONFIDENTIAL

DRAFT FOR DISCUSSION

Operational Risk Management



Introduction to RCSAs

A Risk and Control Self Assessment (RCSA) identifies and assesses the operational risks and controls relating to an organisational unit ("risk entity") within a Business Unit. It is a fundamental element of operational risk management.

An RCSA supports management's understanding of their risk and control environment, by**:**

- Documenting the risk and control environment of a risk entity;
- During the documentation phase if any risks are not fully addressed by the controls in place issues are raised;
- Identifying the actions required to achieve an optimal level of exposure to risks, e.g. reducing the occurrence of internal risk events and their associated financial loss;
- Providing evidence to meet regulatory requirements (Basel II, Turnbull and Sarbanes Oxley (SOX));
- Improving the efficiency & effectiveness of the control framework in a risk entity by identifying:
    - Missing or inadequately designed controls;
    - Controls that are not operating as intended; or
    - Excessive controls.

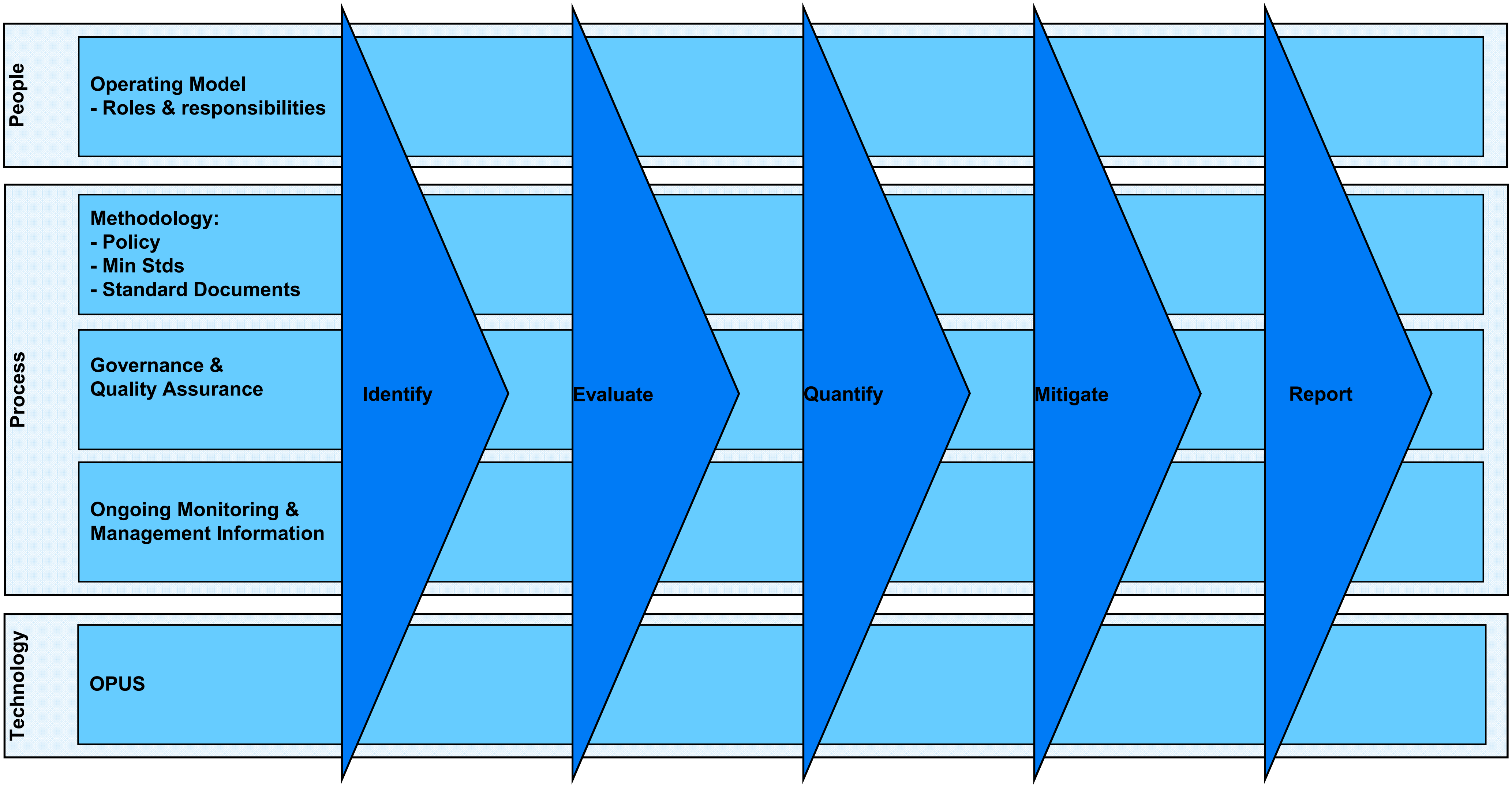
An end to end process may consist of several risk entities reflecting the business structure. Each risk entity and the controls (manual or automated) within it must be owned and attested to Quarterly. Handoffs between risk entities should be clearly documented and agreed by both parties.

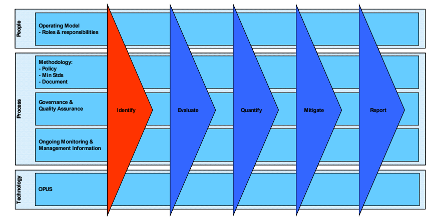
SOX risks and controls are a sub-set of the overall operational risk and control population. Throughout this document SOX specific requirements have been noted in italics.

Where a third party operates part of the process/ risk entity the RCSA should include the risks and controls that the third party operates on behalf of Barclays as the responsibility for these cannot be outsourced. If the precise detail of the controls used by the third party is unknown to Barclays, we should reference controls that Barclays operates to provide oversight of third party activity, e.g. monitoring controls located in Barclays, or a dedicated review using Agreed Upon Procedures or SAS70.

<Refer to the Barclays Financial Risk Analysis and Reporting (BFRAR) and Group Operational Risk (GOR) methodologies for the SOX and OR methodologies that this harmonised methodology is based on.>

A harmonised SOX and OR methodology has been created which is supported by people, process and technology enablers.





Step 1 - Identify

Objective:

– To identify and document all material risks (both controlled and uncontrolled, where no control exists an issue must be raised refer to "Step 4 – Mitigate") together with relevant processes and key controls within a business unit, considering all level 1, level 2 and level 3 risk in the Principal risk Library as defined by the Principal Risk Owner.

I11

Note: "Material risks" are those that, if they occur, may prevent a business area achieving its objectives (refer to Glossary for further guidance).

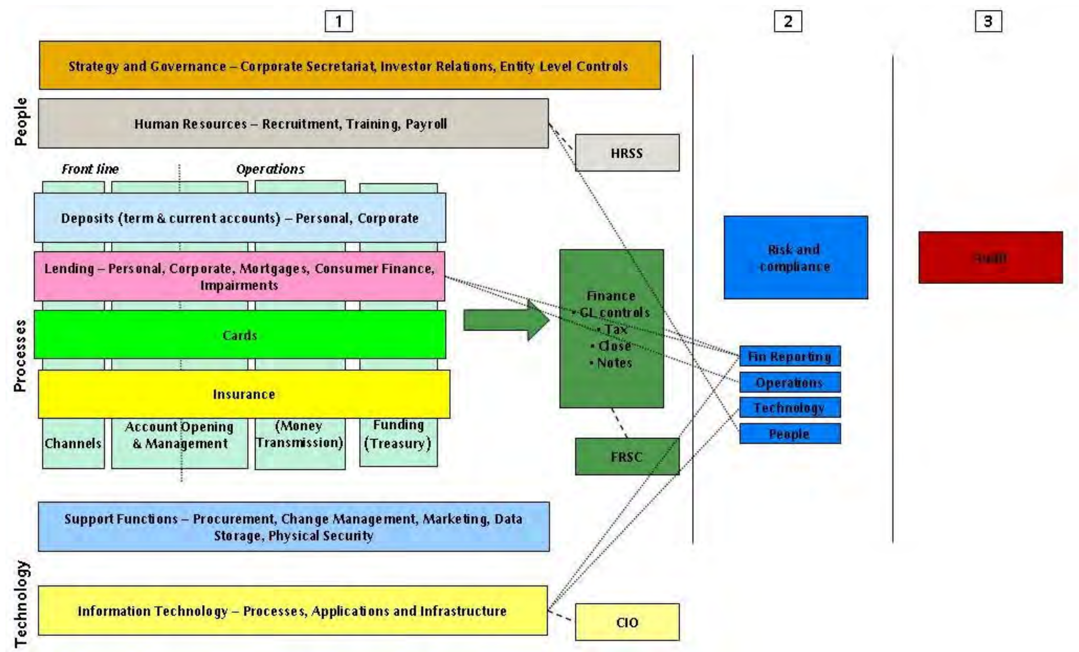
Key steps:

1. Identification:
   a) Obtain a list of organisational units (risk entities) in the Business Unit (business entity hierarchy).
   b) Map the risk entities to PACT (process hierarchy). And confirm completeness of coverage against PACT.
   c) Review completeness of risk entities with BIA

2. Prioritisation – Assign a risk ranking to the risk entity to prioritise the risk entities for the RCSA process using materiality criteria (refer Glossary).

3. Identify the risk entity owner who is operationally responsible for all business activities covered by the risk entity

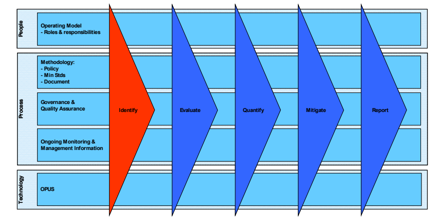
4. Annually the BU CEO must approve the BU Risk Entity structure to confirm they are satisfied with the coverage across their BU and that the Risk Entities are appropriately prioritised and owned by the appropriate individuals.



Slide 5

I11	Need to be carfull with wording due to affect in OPUS Ivan.Chunnett, 12/13/2007

BARCLAYS



Step 1 - Idenfify

5. Documentation of business controls (typically obtained via a workshop or interviews with the business):

a) *Annually the **<Group Principal Risk Owner (GPRO)>** and the Group SOX Framework Owner will review the COSO framework and confirm which controls are mandated Entity Level Controls (ELCs) from a SOX perspective. BUs must identify the most effective way to evidenced these controls for the in scope locations.*

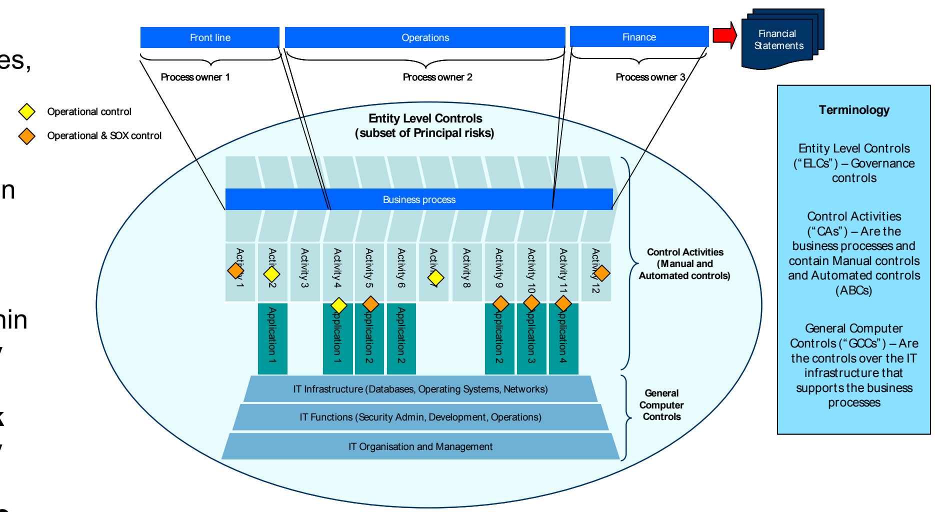
b) Collate all the existing process, data flow or application or supporting documentation related to the risk entity (including change, internal issues, external issues and other indicators) to assist identification of material risks and key controls.

c) For each risk entity identify all risks that may prevent the risk entity achieving its objectives – consider the level 1, level 2 and level 3 risks in the Principal Risk Library as defined by the Principal Risk Owner for relevance to the risk entity. *If the risk entity is in scope for SOX, all the financial statement assertions must be considered.*

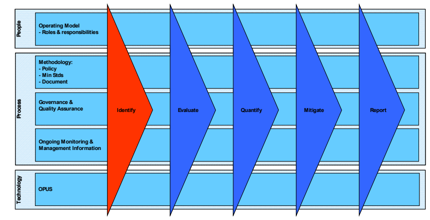
d) Document the process, risks and controls (manual and automated) within the risk entity (process map/flow or text based as appropriate). Identify the key controls, **<refer to Model Processes for guidance as to the types of risks and controls you might expect to see within the risk entity>.** Documentation should be to a standard such that a third party can quickly understand the process, risks and re-perform the control. Assign complexity rating to controls **<for detailed instructions refer to the MSA guidance>**.

e) Where part of the process/ risk entity is operated outside of the BU the RCSA should include these risks and “linked”/associated to the controls. For cross BU controls (including BUs outside GRCB) the hand offs must be agreed and be appropriately represented in the documentation. Where a third party is involved the appropriate Third Party Assurance (TPA) arrangement must be put in place.

f) RCSAs must be completed at an appropriate level of detail to enable management to fully understand their risk and control environment.



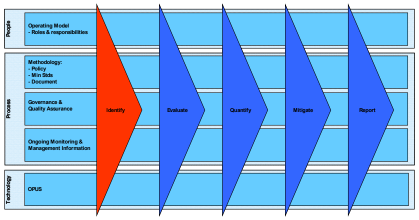
End to end process view and terminology



Step 1 - Identify

5. Continued
   - g) Identify relevant Key Indicators (KIs) and link these to the appropriate risk/control on the RCSA.
   - h) Review the relationship between the risks identified in the RCSA and the Key Risk Scenarios (KRSs) to ensure that relevant risks inform an appropriate KRS.
   - i) Identify the owner who is operationally responsible for each risk entity, risk and control. The owner is responsible for the related evaluation; issue identification and resolution. Note: the risk entity and risk owner are generally the same person, however for operational reasons the risk owner may be a delegate.
   - j) Perform a walkthrough to confirm understanding of the transaction flow, that all risks and controls have been identified and all hand-ins and handoffs from/to other risk entities are identified. One or more transactions should be “walked through” from origination to completion of tasks; including routine, recurring, and unusual transactions and exception/escalation procedures.
   - k) Where a manual control is dependent on an Automated Business Control (ABC) e.g. the manual control of reviewing an exception report is dependant on the system generating the exception report accurately. The Automated Business Control (ABC) is identified and linked to the functionality used and the controls over the management of the underlying application (e.g. logical access, IT operations and system development) must be documented in line with the IT documentation principles below.

6. Documentation of Information Technology (typically obtained via a workshop or interviews with the business):
   - a) IT controls are generally considered in-scope where they support the operation of ABC that is part of the Risk Entity.
   - b) identifying the IT management processes that manage the application and the supporting infrastructure.
   - c) Identify the supporting IT infrastructure architecture layers that cover the databases, operating systems, networks and data centres.
   - d) Assess the application risk considering the business process risk, number of ABCs, nature of technology, nature of IT process and past experience.
   - e) Based on the application risk determine the scope of IT risk entities.
   - f) Where part of the process/ risk entity is operated outside of the BU the RCSA should include these risks and be “linked”/associated to the controls. For cross BU control the hand off must be agreed and be appropriately represented in the documentation. Where a third party is involved the appropriate Third Party Assurance (TPA) arrangement must be put in place.
   - g) Identify an owner for each risk entity, risk and control who is responsible for the related evaluation; issue identification and resolution. Note: the risk entity and risk owner are generally the same person, however for operational reasons the risk owner may be a delegate.



Step 1 - Identify

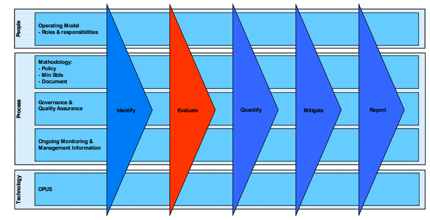
7. Where part of the process/ risk entity is operated is operated by a third party organisation, the risks should be included in the RCSA and where possible the controls should be documented. The appropriate monitoring arrangement must be put in place and where relevant agreed with the third party, which could include:
   - Controls operated by Barclays;
   - Agreed Upon Procedures performed by internal/external audit on our behalf; or
   - A SAS70 from the third party organisation (with the assistance of Global Sourcing and the Supplier manager scope the terms of reference and Internal Control Statement (ICS))

8. *SOX controls are a subset of the total population of controls and will generally be linked to Financial Reporting risk. SOX controls are identified in different ways depending on the type of control:*
   - *Entity Level Controls (ELCs) – Scope is driven by financial materiality of business units (refer to Appendix A) and concentration of business in a location. Underlying design of the controls is driven by COSO;*
   - *Control Activities (CAs) – Scope is primarily driven by the half yearly dis-aggregation of the financial statements. All end to end product processes that contribute more than £3 billion to a line on the Group balance sheet or £200 million to a line on the Group income statement will typically need to be brought into scope. Additional items may be brought into scope on the basis of risk. Design of the controls is bespoke, but should be guided by the model processes.*
   - *General Computer Controls (GCCs) – For each application based control (ABC) that is in scope via the CA work the IT controls used to manage the application must be documented according to a standard framework based on COBIT.*
   - *Third Party Assurance (TPA) – Whenever a third party operates controls on behalf of the business that are key for SOX (either in CA or GCC) then we need to find a way to gain confidence in the way they manage these controls. Third party relationships are tracked through the TPSART.*

9. All issues identified in the identification step (e.g. ineffective or missing controls) must either be raised and mitigated (refer to “step 4 – Mitigate”) or be accepted if the risk is within the BU’s risk appetite (refer to “step 3 – Quantify”).

Output:

- Ability to demonstrate that all material business activities are covered by RCSAs.
- Description (textual and/or process map/flow) to provide background.
- Detailed documentation of risks and key controls (including handoffs, linkages, dependencies, risk rating for risk entities and complexity rating for controls).
- All level 1, level 2 and level 3 risks in the Principal Risk Library considered for relevance, through completion of the PR checklist.
- Walkthrough and if applicable a workshop memo proving that all the relevant risks and controls have been identified and correctly documented.
- Completed SAS70 terms of reference and ICS
- *Ability to demonstrate SOX scope covered – by completing the half yearly dis-aggregation and TPSART workbook.*



Step 2 - Evaluate

Objective:

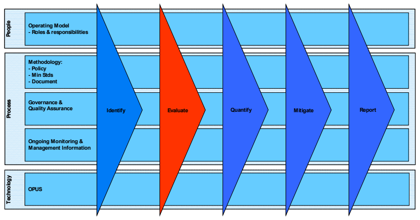
- To confirm that:
  - All the specific risks are identified, accurately described and that the identified specific controls adequately mitigate all the material risks within the risk entity in line with the appropriate risk appetite;
  - For each specific risk is mitigated and all the relevant specific controls have been identified.
  - Each specific control is designed to be appropriate and effective; and
  - Each specific control is operating effectively as designed.

Key steps:

1. Perform design effectiveness assessment (DEA) at least annually **<or when there is a material change to the RCSA>**:
   a) Risk entity level – Perform a desktop review and/or walkthrough to confirm that **all risks in the risk entity** are mitigated by key controls. Note that there may be a many to many mapping between risks and controls. The DEA fieldwork should be performed and QA'd as indicated in the table on the right. Refer MSA guidance for further information.
   b) Risk level – Confirm that **each specific risk** is appropriately mitigated by all the relevant specific controls
   c) Control level – Confirm the **design of each specific control** is:
      - Appropriate for the risks it mitigates; and
      - Efficient in the context of the risk entity. Refer to the Model Processes for guidance.
   d) Perform QA procedures to provide assurance over the design assessment – refer MSA guidance for further information.
   e) Obtain the TPAs assurance report must identify any:
      - gaps between the report and the ICS
      - testing failures
      - issues to be reported and remedied

	DEA Fieldwork	DEA QA	OET Fieldwork	OET QA
Business controls	BU OR/SOX team via walkthrough	OR/SOX team lead or GRCBMSA team (sample)	Control owner or conformance team (based on control complexity and risk)	BU OR/SOX team (sample)
IT controls	BU OR/SOX team (GCC team)	OR/SOX team lead or GRCBMSA team (sample)	Control owner or conformance team (based on control complexity and risk)	BU OR/SOX team (sample)

Approach to perform conformance testing



Step 2 – Evaluate

2. Test operational effectiveness of the controls at least annually or when there is a <u>material change</u> to the control.
   - The control should operate as documented to minimise the risk of misinterpretation during testing;
   - Select a sample to confirm that controls have operated effectively through the sample period – sample sizes are driven by type of control, level of risk involved in the risk entity, the complexity of the control and whether the test is an interim or update test – refer MSA guidance for more information;
   - Testing must cover all possible scenarios in which, and all transaction types for which, the control operates.
   - A control should only be tested for operating effectiveness after it is deemed to be effectively designed, unless mitigating factors are identified.
   - Consider all information available to conclude on the effectiveness of a control including BIA points, PWC points, internal risk events, CIGLS and CIBULS.
   - If the control is not operating effectively raise an issue (refer to "step 4 – Mitigate") and identify and test compensating controls, or identify mitigating actions that could be used to minimise any control gaps. I13
   - *SOX - To support management's attestation, controls must operate effectively as at the year end. As controls cannot all be tested at year-end, testing is scheduled throughout the year and update testing within 90 days of the year end a subset of controls is used to provide the necessary assurance.*
   - Obtain the TPAs assurance report and identify any:
     - testing failures
     - issues to be reported and remedied

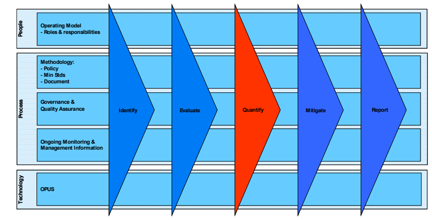
3. All issues identified in the identification step (e.g. ineffective or missing controls) must either be raised and mitigated (refer to "step 4 – Mitigate") or be accepted if the risk is within the BU's risk appetite (refer to "step 3 – Quantify").

Output:
- Design review at risk entity level.
- Design review at a risk level
- Design review at a control level.
- Operational effectiveness results for key controls.
- Review the TPA assurance report

Slide 10

I12 BFRAR looking to drop updated testing however currently GRCB's approach to keep it in for GCCs and ELCS
Ivan.Chunnett, 1/10/2008

I13 Need to check wording on raising an issue is this clear enough?
Ivan.Chunnett, 1/10/2008



Step 3 - Quantify

Objective:

- The expected and/or extreme (1in 7 or 1 in 20 or 1 in 100) assessment for each risk is consistent and appears reasonable.
- *Each RCSA identifies, reviews and evaluates the risks and controls associated with a particular risk entity*

Key Steps:

At least annually the Risk entity owner or delegate must:

1. Review relevant internal and external risk events and quantify the residual risk (expected and/or extreme) of each material risk after considering the controls in place;
2. Decide treatment (accept, reduce, mitigate or transfer) of risks is appropriate in aggregate for the risk entity. This decision must be:
   - <**In line with a defined process and authorities**> (including limits established by the Cluster/CSU Heads or their nominated committee)
   - Consider the Cluster/BU/CSU risk appetite and
   - Cost/benefit of strengthening/adjusting controls.
3. The treatment considerations are as follows:
   - Accept – The residual risk is acceptable and in line with risk appetite
   - Reduce - The residual risk is well below the risk appetite. There is scope to increase exposure to the risk type due to potential rewards or the risk and control assessment indicates that the risk type is being inefficiently managed (too many controls or requires less resource).
   - Mitigate – The residual risk is not in line with risk appetite, the evaluation must be revisited to consider if more controls are required, this may lead to issues that require mitigation in “step 4 – mitigate”.
   - Transfer - The residual risk is not in line with risk appetite, and management have decided to transfer or avoid the risk (e.g. make the decision to Insure or Outsource). Note outsourcing will almost never lead to a full risk transfer.

   Where the treatment decision is anything other than “Accept” detailed rationale for this decision must be included in the risk quantification.

Output:

- The residual risk has been quantified and the treatment decision made.

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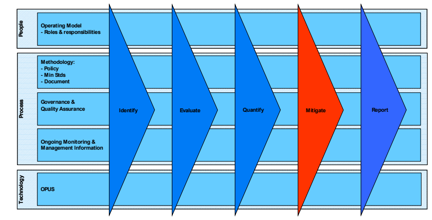
DRAFT FOR DISCUSSION



Step 4 - Mitigate

Objective:

- The Issue Owner (this is generally the owner of the related risk entity, risk or control) is responsible for defining the issue, devising remedial action and managing the implementation of remedial activity**.**

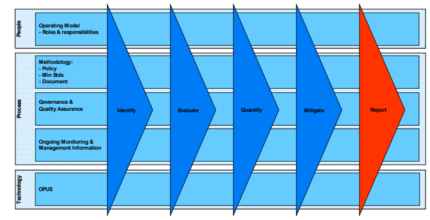
Key Steps:

- Raise any issues identified during the RCSA cycle (DEA and OET) or any other source (internal risk events) against the risk entity, risk or control. With specific reference to the root cause of the issue.
- Consider and document as part of the issue compensating controls or mitigating actions that are in place, to evaluate if they address the risk and are in fact key controls if so they should be documented as part of the RCSA
- Devise an action plan, assign an action plan owner who is responsible implementation of the action plan.
- Action plans describe the implementation of remedial activity, and the time it is expected to take including to re-document the control and to attain control maturity.
- The implementation of remedial action must be tracked to ensure that the delivery of action plans is on target and if not appropriate corrective action is taken.
- All IT issues are assessed in relation to their impact on the ability to rely upon associated ABCs and necessary additional mitigates considered.
- Assess the risk is assessed in terms of Reputation; Financial and Regulatory concerns and consider the need to raise a CIBUL (where the impact is likely to be >£10 million). *For SOX issues perform a detailed quantitative assessment of impact of an issue (i.e. the amount by which the financial statements could be misstated if the control is not effective at the financial year-end).*
- Remediation can only be completed once the revised control, risk or risk entity has undergone the necessary evaluation. If a remedied item does not pass the necessary evaluations for design and/or operating effectiveness, the remediation process must be repeated.

Output:

- Completed and approved issues and action plan assigned to an owner, and all impacts of this issue assed including the calculation of the *potential financial impact of the issue* where relevant

Note: All Issues identified in the RCSAs stage must be evaluated and escalated appropriately, in line with the requirements of “Escalation an Reporting” principles.



Step 5 - Report

Objective:

- Each quarter the risk entity and control owner must confirm that they are the owner and they have fulfilled their duties.
- OR teams review the RCSA documentation to ensure data integrity and documentation quality.
- Consider the impact of material business changes on RCSA

Key Steps:

- Risk entity owners and control owners attest quarterly that they are the responsible individuals, periodically perform evaluations and have raised all issues.
- The RCSA process must be reviewed by Operational Risk to consider whether:
  - All business activities are covered by the RCSA programme.
  - All RCSA details have been accurately recorded.
  - All level 2 risks and associated key controls of the Risk and Control Library have been taken into account and are covered on a Country level .
  - Suitable sign-off for each RCSA has been obtained within the Cluster/ BU/ SBU/ Country.
  - The expected assessment for each risk is consistent, appears reasonable and is supported by a rationale detailing exactly how the frequency and impact have been calculated and what they are based on.
- The scope of RCSA must be reviewed at least annually, or if there is a material change in the business. BUs/CSUs must also consider whether they require revision following: I10
  - Change in owner of the risk entity, risk or control.
  - new product approval process
  - change activities
  - internal risk events
  - external risk events
  - Control Issues of Group and Cluster Level Significance (CIGLS and CIBULS)
  - Barclays Internal Audit (BIA) and External Audit findings and controls assurance results
  - changes to Key Indicators

  If a relevant RCSA does not exist, then BUs/CSUs must consider whether a new RSCA should be undertaken and added to the programme.

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Output:

- Quarterly attestation by Risk entity and control owners.
- Consistency and scope review completed.
- The impact of material business changes on RCSA is considered

Slide 13

I10 Refers to GRCB Central Functions units like FRSC no other name yet.
Ivan.Chunnett, 12/13/2007

Glossary

Entity Level Controls are the high-level policies and procedures that create the environment within which control activities operate.

Control Activities are the processes that make material contributions to the financial statements and the key controls within those processes.

Automated Business Control (ABC) is a control that is operated without any manual intervention. Where an ABC is a key control there is a need to identify, document and test the controls around the applications that supports it.

General Computer Controls are the IT-related activities that support the operation of the processes that make material contributions to the financial statements. The reliability of systems within the IT environment (applications, databases, operating systems, networks and data centres) is managed through IT processes. The key IT management processes for s404 are program development, program change computer operations, access to programs and access to data.

Third Party Assurance addresses instances where the Group does not have direct management responsibility for operating a control.

The TPSART contains details of which external suppliers are in or out of scope for SOX and why. The data covers:

- the business processes supported by the external supplier
- the external supplier and the services they provide
- whether or not the external supplier is in scope for SOX
- the key controls requiring assurance
- the type of assurance to be obtained.

Agreed Upon Procedure - describes an approach to documenting assurance that does not require compliance with any particular auditing standard. Rather, the structure, content and approach to gaining assurance are agreed on a case by case basis between the external supplier and its customer.

SAS 70 - Statement on Auditing Standards No. 70 ("Service Organizations") is an international auditing standard developed by the American Institute of Certified Public Accountants (AICPA). A SAS 70 type II report demonstrates that the service organisation has had its control objectives and control activities examined by an independent certified public accountant (CPA) or auditing firm.

Indicators of a **Material business change** that would require a review across the RCSA are :

new product approval process
change activities
internal risk events
external risk events
Control Issues of Group and BU Level Significance (CIGLS and CIBULS)
Barclays Internal Audit (BIA) and External Audit findings and controls assurance results
changes to Key Indicators

Glossary

Design Review evaluates the design of the control in the context of the risks it mitigates. As SOX is a subset of OR the following DEA results have been defined:

- Fully Effective
- All SOX Data DEA Effective (Some Op Risk Data Ineffective)
- All SOX Data DEA Conditionally Effective (Some Op Risk Data Ineffective)
- Ineffective

Operating Effectiveness Testing (OET) evaluates the operation of the control in the context of the documentation describing its design and the evidence of its operation. A control is ether operating effectively or not operating effectively.

Types of Testing - Tests for operating effectiveness should gather sufficient, relevant and reliable audit evidence as efficiently and effectively as possible. There are four types of testing to consider for OET.

- **Inspection** - Consists of examining records, documents, or tangible assets. Examination of documents should be used where performance of a control or monitoring activity is documented. Documentary evidence may exist in the form of computer records as well as written documents. Where testing uses documentary evidence, efficiency considerations include the possible need for file interrogation software and the scope for using one sample of documents to test several controls.

- **Re-performance** - The tester re-performs the actual control to compare our results with the results obtained by the Control Owner. While the absence of errors may provide some indication, it does not on its own give conclusive evidence that the control has been performed effectively on a consistent basis (except for automated controls). For the purposes of s404, re-performance must be performed in conjunction with inspection tests.

- **Observation** - Consists of looking at a process or procedure being performed by others, e.g. the performance of a control procedure provides evidence of its effectiveness. However, the level of assurance to be gained about the operation of a control from observation is limited. Observation may not be representative of usual performance, and demonstrates only that the control worked at the time of the observation.

- **Enquiry** - Involves interviews to obtain evidence about the effectiveness of controls. It should involve asking questions of the individual who performs the control or monitoring activity (direct) and/or asking questions of other individuals who do not perform the procedures themselves but are in a position to know whether the control procedure or monitoring activity is operating effectively (indirect).

Glossary

Principal Risks Library - Risks are mapped to a risk library, which is common across the Group, to ensure consistency in categorisation and escalation. The Risk Library sets out specialist Group Policy and control requirements for the Level One Risk of Operational Risk. The Level Two Risks provide users with a more granular categorisation. Each of the Level Two Risks is mapped to Basel II and ORX categories for external reporting.

Risk Entity Risk Assessment - Consider inherent risk, history of failure and recent changes to process.

Control Complexity Assessment - Consider inherent risk, type of control and its nature <refer to the MSA methodology for more guidance>.

Expected Frequency Assessment is the number of times the risk is expected to occur over the next 12 months.

Extreme Frequency Assessment can be based either over a 1 in 7, 1 in 20 or 1 in 100 year basis. If using an extreme assessment for a DRCA specific risk, only one of these points needs to be used. For example

Financial statement assertions - describe the qualities required of good accounts. Not all Financial Statement Assertions are relevant to all processes. For example, valuation may not be relevant to the cash account unless currency translation is involved. However, existence and completeness are always relevant to cash accounting.

Assertion	Definition
Existence or Occurrence	Assets, liabilities and ownership interests exist at a specific date, and recorded transactions represent events that actually occurred during a certain period.
Accuracy	Transactions are mathematically correct and appropriately summarised - and recorded in the entity's books and records.
Completeness	All transactions and other events and circumstances that occurred during a specific period, and should have been recognised in that period, have, in fact, been recorded.
Rights and Obligations	Assets are the rights, and liabilities are the obligations, of the Group at a given date.
Valuation or Allocation	Asset, liability, revenue and expense components are recorded at appropriate amounts in conformity with relevant and appropriate accounting principles.
Presentation and Disclosure	Items in the statements are properly described, sorted and classified.

Glossary

For OR the following minimum information must be provided for each RCSA (additional information is required for SOX relevant RCSA):

Risk Identification

- Description of the risk entity
- Owner of the risk entity
- Description of each material risk for the risk entity
- Owner of the risk
- Categorisation of each risk according to the Level 2 Risk Categorisation
- Identification of any other areas that are affected by each risk
- Identification of any existing KRS informed by each risk
- Identification of any relevant KI

Risk Evaluation

- Assessment of the overall design of the controls to mitigate each risk (effective /ineffective)
- Assessment of the expected loss (this is the estimated number of times each risk is expected to occur in a 12 month period and the average financial impact of each occurrence) and/or the extreme loss (this is the estimated financial impact of an unexpected loss at one or more of 1 in 7, 1 in 20, 1 in 100 year points)
- Reference to any supporting data e.g. new product approval process, internal and external risk events, BIA finding, CIGLS, CICLS
- Determination of whether each risk should be transferred, mitigated (increase/relax controls), avoided or accepted Risk Entity Evaluation
- Assessment of the overall design of the controls for the risk entity, whether all material risks and controls have been accurately recorded on the DRACA, whether the quantification of loss for each risk is consistent and appears reasonable and whether the treatment of the risks overall is appropriate for the risk entity (effective/ ineffective)

Control Identification and Evaluation

- Description of each relevant control in place to mitigate the risk
- Owner of the control
- Classification of the control type (preventative/detective/limiting)
- Assessment of the design of each individual control (effective/ineffective)
- Assessment of the operation of each individual control (effective/ ineffective)
- Confirmation of whether the control is in scope for SoX 404

Issue Identification

- Description of any outstanding issues including action plan with owner, deliverables and completion date.

Appendix A – ELC location scoping

A location may be an individual legal entity or a geographic division, or a combination of the two. This is defined by management based on its business structure. Four categories of location have been set down in the following table.

Location Category	Required Assurance
Category 1 Locations which are considered to be material in all respects. These locations will have net assets and/or net profit which account for greater that 5% of Group total and will contribute in excess of the £3bn/£200m materiality thresholds on multiple Balance Sheet/P&L lines. This category equates to the Group's business BUs. All BUs are deemed to be in scope within this category. Responsibility for determination of Category 1 locations rests with Group (BFRAR).	•Entity Level Controls (ELCs) at BU level. All of the defined ELC templates need to be covered. •CA processes identified as part of the financial dis-aggregation, which operate at BU level. These are likely to be processes which manipulate or otherwise process the related financial statement disclosures, but which do not generate the underlying values – e.g. BU level accumulation, standing data maintenance or GL controls. •GCCs and Third Party Assurance (TPAs) related to the above processes.
Category 2 Locations within BUs which are not material in all respects, but would have one or more CA processes in scope as a result of the financial dis-aggregation. This category would equate to SBU level within BUs, although unlike category 1 locations at BU level, not all category 2 locations at SBU level will necessarily be in scope. Responsibility for determination of category 2 locations rests with BU management.	•Relevant ELCs at SBU level if not already covered by the ELC's documented at relevant BU level. •CA processes aligned to in scope financial statement disclosures. •Other CA processes which do not generate value on individual financial statement disclosure lines but which include relevant risks and key controls that impact in scope disclosures e.g GL Controls operated at SBU level. •GCCs and TPA related to in scope processes as defined above.
Category 3 Locations which have no CA processes in scope as a result of the financial dis-aggregation, but which is material, either individually or via appropriate aggregation. For the purpose of this assessment: – appropriate aggregations would be groupings of locations which operate under a common management or technology structure; – Locations or appropriate aggregations are material where their net assets or net profit are >1% of the Group's consolidated total. Responsibility for determination of category 3 locations rests with BU management.	•Relevant ELCs at individual or aggregated location level, unless already covered by ELCs in category 1 or 2 above.
Category 4 All other locations. These locations are not material in terms of net assets or net profit either individually or in appropriate aggregations and do not have any in scope CA processes. These locations are non-significant locations. Responsibility for determination of category 4 locations rests with BU management.	• No coverage required.

EXHIBIT 104

FILED UNDER SEAL

Document Produced in Native Format

FINANCE COMMITTEE AGENDA

Date:	20 February 2008
Attendees:	Bob Diamond, Rich Ricci, Patrick Clackson
Venue:	RED's Conference Room
Time:	16.00 - 16.45 London Time
Dial in Details:	+44 (0) 207 773 3113 pin 3637#

Section 1 Summary Jan/Feb Position

Jan finalisation (£m)	Jan 2008 (FinCom 13/2)	Adjustments post FinCom: Own Credit	Adjustments post FinCom: Residuals	Jan 2008 (Final)
Underlying	687			687
Own credit	290	(65)		225
Net losses	(300)		65	(235)
Net income	**677**	**(65)**	**65**	**677**
Costs	(400)			(400)
PBT	**277**			**277**

Feb net income (£m)	**Jan MTD**	**Unwind Jan adj'ments**	**Feb MTD**	**YTD**	**Comments**
Flash 18 Feb income	737		382	1,119	Underlying (pre impairment)
Month to go			251	251	Trading, accrual, new deals
Own credit	225	65	342	632	
Impairment & potential losses	(285)	(65)	(259)	(609)	
Reserve against own credit			(23)	(23)	
Expected net income	677	-	693	1,370	Budget £634m(MTD) / £1,268m (YTD)

Section 2 February Income Flash

WTD 15 Feb	MTD 18 Feb	£m	YTD 18 Feb	Δ PY
		Global Markets		
(17)	0	Portfolio	65	51
		Fixed Income		
24	79	Fixed Income Rates	405	274
13	19	Fixed Income Credit	(70)	(140)
37	98	Fixed Income Total	336	185
8	19	Foreign Exchange	99	47
(2)	5	Equities	19	(92)
		Principal Credit		-
3	4	Distressed / SSG	(14)	(20)
4	9	Risk Finance	12	3
4	10	Principal Strategies	2	(17)
2	4	CMBS	9	(12)
3	9	Portfolio Management	33	(17)
18	40	Portfolio Management - IAS Volatility	75	77
34	76	Principal Credit Total	117	(32)
		Emerging Markets		
10	17	Emerging Markets Rates Total	65	37
5	15	Emerging Markets Credit Total	36	10
15	31	Emerging Markets Total	102	47
35	38	Commodities	82	(147)
17	33	Prime Services	89	51
-	-	BCFS	0	0
2	3	Management	(10)	(13)
128	**304**	**Total Global Markets**	**898**	**(108)**
		Primary Credit Products		
3	8	Primary Bonds	30	(20)
6	8	Global Loans	30	(5)
3	4	Conduit	9	1
2	5	HomEq	13	(7)
-	-	EquiFirst	1	1
-	-	PC Management	(1)	2
14	**26**	**Total Primary Credit Products**	**82**	**(27)**
(8)	**4**	**Portfolio Asset Book**	**(209)**	**(218)**
-	**-**	**Management - Own Credit**	**225**	**225**
2	**8**	**Principal Investments**	**28**	**(21)**
9	**21**	**Structuring**	**37**	**(20)**
3	**9**	**Absa Capital**	**32**	**9**
1	**2**	**IUR**	**(8)**	**(16)**
4	**9**	**Shared Services**	**24**	**3**
152	**382**	**Income**	**1,110**	**25**
(13)	**(30)**	**Provisions**	**(81)**	**(81)**
140	**352**	**Net Revenue**	**1,029**	**(56)**
(11)	**(9)**	**Δ Budget Net Income**	**34**	

Business	Product Group	Region	Best £m	Worse £m	Description	Cumulative YTD £m
Own Credit	Mgmt - Own Credit	Europe	375	375	Own Credit	667
Own Credit	Mgmt - Own Credit	Europe	(33)	(33)	Own Credit Hedges	(35)
Total			**342**	**342**		**632**

Expected Writedowns

Business	Product Group	Region	Best £m	Worse £m	Description	Responsible Trader	Business Owner	Cumulative YTD £m
Portfolio Asset Book	Cash Portfolio	US	(32)	(32)	Incorrect prior yr IRS booking	Stephen King	Eric Bommensath	(64)
FI Rates	Sec Derivs	Europe	(3)	(3)	Whistlejacket SIV - desk estimate 20% writedown	Nick Hallett	Eric Bommensath	(3)
FI Rates	Management - DCRM	Europe	3	3	Whistlejacket RT offset	John Mahon	Eric Bommensath	3
Principal Credit	Portfolio Mgt	Europe	TBC	TBC	Whistlejacket £462m Reverse Repo. Collateral being reviewed	David Head	Mike Keegan	TBC
FI Credit	Illiquid Credit	US	TBC	TBC	Victoria Finance Asset Swaps - £(2)m booked in January	Ross Taylor	Eric Bommensath	(2)
FI Rates	Management	Europe	(7)	(7)	$ Denominated European ABS positions from repo unwinds	Conor Brown	Eric Bommensath	(7)
FI Credit	CLO	US	(9)	(19)	Potential loss if warehouse does not close	Kris Kraus	Eric Bommensath	(9)
FI Credit	CLO	Europe	(12)	(23)	Potential loss if warehouse does not close	Andrew Whittle	Eric Bommensath	(12)
Principal Credit	Portfolio Mgt	Europe	TBC	TBC	ABS Backstop facilities - option reval post Northern Rock Nationalisation			
Total			**(60)**	**(81)**				**(94)**

Monthly Remarks and Exposures

Exposure	Net Exposure £bn	Business	Best £m	Worse £m	Comment	Responsible Trader	Business Owner	Cumulative YTD £m
ABS CDO Super Senior								
Non MTM ABS CDO (Saypoff)	4.4	Provisions	(76)	(76)	Includes £(47)m monthly accrual and additional £(29)m writedown representing gap between current accrual and expected YTD Feb loss of $240m	Stephen King	Eric Bommensath	(123)
MTM ABS CDO (King)	0.3	Portfolio Asset Book	(10)	(10)		Stephen King	Eric Bommensath	(62)
Whole Loans / Alt A								
Whole Loans Subprime	3.2	Portfolio Asset Book	(33)	(33)	Subprime £(33)m	Tom Hamilton	Eric Bommensath	(33)
Whole Loans Alt A	0.9	Portfolio Asset Book	(10)	(10)	Alt A £(10)m			(10)
ALT A Securities	2.6	Portfolio Asset Book	(26)	(26)		Stephen King	Eric Bommensath	(76)
Sheffield / Surrey Conduit	0.9	Conduit	-	-		Mike Wade	Mike Wade	-
Other Subprime / Alt A	0.8	Various	-	-		Impairment Committee	Primarily Mike Keegan	-
Residuals	0.3	Portfolio Asset Book	TBC	TBC		Stephen King	Eric Bommensath	(65)
Monolines								
Monolines	1.3	Portfolio Asset Book	(34)	(120)	Impact of expected monoline downgrade impact (FGIC AAA rating withdrawn by Moody's)	Stephen King	Eric Bommensath	(89)
CMBS								
CMBS - US	6.3	CMBS	-	-		Mike Mazzei	Mike Keegan	-
CMBS - Europe / Asia	6.1	Primary Bonds	TBC	TBC	Still subject to price testing review	TBD	Geert Vinken (Banker - Lynne Gilbert)	TBC
SIV's / SIV Lites								
SIV's	0.6	Portfolio Asset Book	-	-		Stephen King	Eric Bommensath	-
Siv Lite liquidity facilities	0.2	Portfolio Asset Book	-	-				
Leveraged Finance								
Leveraged Loans	7.4	Provisions	(3)	(3)	General accrual £3m - still subject to Impairment Committee	Impairment Committee	Tim Ritchie	(6)
Secondary Lev Loans	0.4	FI Credit / Global Loans	(6)	(6)	Remark based on mid month price testing	Jm Moylan	Eric Bommensath / Tim Ritchie	(16)
Other								
ABS Europe Portfolio	3.7	FI - Credit	(10)	(10)	Monthly remarks	Conor Brown	Eric Bommensath	(44)
Fund Linked Products	TBC	Equities	-	-		Richard Ho	Maurits Shouten	-
ABS Backstops	2.9	Principal Credit	10	0	ABS Backstop facilities - option reval post Northern Rock Nationalisation	Keith Ho	Mike Keegan	10
Total	**42**		**(199)**	**(294)**				**(515)**

	Issued notes (£bn)	Barclays EUR 5yr CDS (bps)	£m	Own credit gains recognised In period		Own credit gains recognised Cumulative
Jun '07	44.6	11	H1	-		-
Oct '07	54.3	39	4 m/e Oct	420		420
Dec '07	57.2	46	Nov-Dec	238		658
Jan '08	56.1	71	Jan	290	*	948
18 Feb '08	56.1	96	MTD Feb	342		1,290
19 Feb '08		112				

* £65m deferred into February

$m	NIM's	Post-NIM's	Sub-Prime Residuals	
Original Dec-07	272	280	552	
Liquidity Markdown	(47)	(37)	(84)	
Final Dec-07	**225**	**243**	**468**	
Jan-08 Cash Recd	10	13	24	£m
Jan-08 Markdown	(73)	(55)	(128)	(66)
Hedge Impact		6	6	
Final Jan-08	**142**	**180**	**322**	
Original Cost	934	1,024	1,957	
"Mark"	**15**	**18**	**16**	

1) CF BASED EXPOSURE FOR ABS CDO

$m	Current DG	February DG	Stress DG	Notional Exposure	CF based NPV exposure	Current Reserve	CURRENT BOND PRICE: Adopt new RT calculation	February DG	June Stress DG	BOND DOWN 10PT: February DG	June Stress DG
MBIA	2	4	6	(11,271)	1,212	153	125	183	222	326	396
AMBAC	2	6	10	(8,361)	444	34	28	59	75	137	180
FGIC	4	10	14	(3,789)	219	19	17	29	54	65	134
XLCP	4	10	14	(3,150)	76	16	6	11	22	54	101
ASSURED	1	3	3	(5,140)	191	9	8	12	12	43	43
FSA	1	3	3	(6,232)	267	4	3	6	6	18	18
CIFG	1	3	3	(1,741)	67	2	2	3	3	9	9
MOGADOR	1	3	3	(877)	26	1	1	2	2	6	6
TOKIO MAR	1	1	1	(225)	3	0	0	0	0	0	0
Grand total				**(40,786)**	**2,506**	**238**	**189**	**305**	**395**	**659**	**888**
						P&L impact ($m)	49	(67)	(158)	(422)	(651)
						P&L impact (£m)	25	(34)	(81)	(216)	(334)

2) CURRENT SYSTEM NPV

	Current DG	February DG	Stress DG	Notional Exposure	Current NPV 1/31	RESERVE: Current Reserve	CURRENT BOND PRICE: Adopt new RT calculation	February DG	June Stress DG	BOND DOWN 10PT: February DG	June Stress DG
MBIA	2	4	6	(11,271)	2,013	153	207	304	367	447	542
AMBAC	2	6	10	(8,361)	576	34	42	83	104	161	209
FGIC	4	10	14	(3,789)	232	19	19	32	59	68	138
XLCP	4	10	14	(3,150)	143	16	16	26	44	69	123
ASSURED	1	3	3	(5,140)	233	9	11	15	15	47	47
FSA	1	3	3	(6,232)	267	4	3	6	6	18	18
CIFG	1	3	3	(1,741)	67	2	2	3	3	9	9
MOGADOR	1	3	3	(877)	26	1	1	2	2	6	6
TOKIO MAR	1	1	1	(225)	3	0	0	0	0	0	0
Grand total				**(40,786)**	**3,560**	**238**	**300**	**471**	**600**	**826**	**1,093**
						P&L impact ($m)	(62)	(233)	(363)	(588)	(856)
						P&L impact (£m)	(32)	(120)	(186)	(302)	(439)

External Equivalent	DG (TTC)
AAA	1
AA	3
A	4
BBB	6
BB	10
B	14
CCC	18
D	22

NAV Shortfall Projections - Feb 2008

$m

Deal	Super Senior Notional - Oct 07	CF PF Shortfall Oct-07	Nov-07	Dec-07	Feb-08	Oct - Dec Shortfall	Accrued YTD Impairment Feb 08	Impairment Accrual Shortfall YTD Feb 08
Buck I	900	52	28	27	34	18		
Buck II	1,145	70	61	57	58	12		
Buck III	1,323	197	230	245	264	(67)		
Citius I	1,597	-	6	27	57	(57)		
Citius II	1,697	77	169	192	226	(149)		
Liberty I	1,401	196	147	148	146	50		
Total for HG	**8,063**	**592**	**641**	**696**	**785**	**(193)**		
Tour I	488	-	-	-	-	-		
Tour II	700	-	-	27	48	(48)		
Total for Mezz	**1,188**	**-**		**27**	**48**	**(48)**		
Grand Total	**9,251**	**592**	**641**	**723**	**834**	**(241)**	**185**	**(56)**
							GBP Equiv	**(29)**

Section 8

2008 Budget: Income by Product

2007	2008 Feb YTD 18th	£m	2008P	Δ 2008P 2007 %	Δ 2008P 2007 £
259	65	Portfolio	175	(32%)	(84)
1,161	405	Fixed Income Rates	1,200	3%	39
(484)	(70)	Fixed Income Credit	-	-	484
676	335	Fixed Income	1,200	78%	524
477	99	Foreign Exchange	450	(6%)	(27)
670	19	Equities	775	16%	105
(6)	(14)	Distressed	65	-	71
86	12	Risk Finance	10	(88%)	(76)
7	2	Principal Strategies	-	-	(7)
500	108	Portfolio Management	300	(40%)	(200)
134	9	US CMBS	150	12%	16
721	117	Principal Credit	525	(27%)	(196)
178	65	Emerging Markets Rates	260	46%	82
102	36	Emerging Markets Credit	220	116%	118
280	102	Emerging Markets	480	71%	200
877	82	Commodities	1,000	14%	123
416	89	Prime Services	405	(3%)	(11)
	-	BCFS	60	-	60
(175)	(10)	Management	-	-	175
4,201	**898**	**Global Markets**	**5,070**	**21%**	**869**
600	30	Primary Bonds	448	(25%)	(152)
377	30	Global Loans	400	6%	23
71	9	Conduit	64	(10%)	(7)
149	13	HomEq	107	(28%)	(42)
27	1	EquiFirst	58	115%	31
(14)	(1)	Management	(20)	-	(6)
1,211	**82**	**Primary Credit Products**	**1,057**	**(13%)**	**(154)**
267	**32**	**Absa Capital**	**298**	**12%**	**31**
1,186	**63**	**Structuring**	**1,000**	**(16%)**	**(186)**
342	**3**	**Private Equity & Principal Investments**	**314**	**(8%)**	**(28)**
271	(8)	IUR	-	-	(271)
233	29	Notional Interest	296	-	63
(35)	-	Associates & JV Reclass	(20)	-	15
114	(4)	Other central	25	-	(89)
7,790	**1,095**	**Sub-total**	**8,040**	**3%**	**250**
(1,329)	**(209)**	**Portfolio Asset Book**	**(600)**	**-**	**729**
658	**225**	**Own Credit**	**200**	-	(458)
7,119	**1,110**	**Income**	**7,640**	**7%**	**521**
(12)		Portfolio Management	(75)	-	(63)
(55)		Global Loans	60	-	115
(748)		US ABS Portfolio	(600)	-	148
(13)		Private Equity/Principal Investments	(25)	-	(12)
(18)		Other	-		
(846)	**(81)**	**Impairment**	**(640)**	**24%**	**206**
6,273	**1,029**	**Net Income**	**7,000**	**12%**	**727**
		Δ STP	**(605)**		

Section 8 2008 Budget: P&L

£m	2007	2008 STP	2008P (Jan '08)	Δ 2008P (Jan '08) Δ STP	Δ PY
Income	7,119	7,880	7,640	(240)	7%
Impairment	(846)	(275)	(640)	(365)	
Net income	**6,273**	**7,605**	**7,000**	**(605)**	12%
Non-performance costs	(2,101)	(2,583)	(2,450) (i)	133	(17%)
LTIP	(165)	(300)	(250)	50	
NI	(136)	(170)	(148)	22	
GBs	(171)	(170)	(150)	20	
Disc bonus	(1,400)	(1,802)	(1,572)	230	
Performance costs	(1,872)	(2,442)	(2,120)	322	(13%)
Total costs	**(3,973)**	**(5,025)**	**(4,570)**	**455**	(15%)
JV's and associates	35	20	20	-	
Profit Before Tax	**2,335**	**2,600**	**2,450**	**(150)**	5%
PBT v PY	5%	11%	5%		
EP	**1,172**	**1,086**	**892**	**(194)**	(24%)
Mgt WRA's (£bn) - Basel II	172.9	188.5	188.5	-	9%
DVaR	42	65	65	-	55%
Economic Capital	5,200	6,600	8,000	1,400	54%
Cost: net income	63.3%	66.1%	65.3%	0.8%	(2.0%)
JAWS	2%	(5%)	(3%)		
Headcount (published)	16,207	19,517	19,517	-	20%
Staff costs: net income	50.9%	52.1%	52.0%	0.1%	(1.2%)
Comp: pre-comp PBT	55.9%	59.1%	58.4%	0.7%	(2.5%)
Comp costs: net income	47.0%	49.5%	49.2%	0.3%	(2.2%)
Under comp framework	85		55		

(i) Assumes c£150m banked from Top Cat

Section 9 — Group Deliverables Sign-Off

See attached

See attached for sign-off

Section 11 Other

Date:	13 February 2008
Attendees:	Bob Diamond, Rich Ricci, Anthony Spinale, Patrick Clackson, Paul Copson, Viv Syal
Venue:	RED's Conference Room
Time:	15.00 - 15.45 London Time

<u>EXHIBIT 105</u>

FILED UNDER SEAL

* * * C O N F I D E N T I A L * * *

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

IN RE BARCLAYS BANK PLC	)	
SECURITIES LITIGATION	)	
-------------------------	)	No. 1:09-cv-01989-
This Document Relates to:	)	PAC
All Actions	)	
-------------------------	)	

October 14, 2015

9:33 a.m.

Deposition of THOMAS J. MCCOSKER, held at the offices of Sullivan & Cromwell LLP, 125 Broad Street, New York, New York, before Laurie A. Collins, a Registered Professional Reporter and Notary Public of the State of New York.

VERITEXT LEGAL SOLUTIONS

MID-ATLANTIC REGION

1801 Market Street – Suite 1800

Philadelphia, PA 19103

control. I think he said he was a director in product control.

MS. NEWCOMER: A clarification.

A. Yes, I do. I believe -- although my memory is hazy -- it was 2005 or 2006.

Q. So from 2005 or 2006 through September of 2009, you were a director within product control at Barclays; correct?

A. Correct.

Q. Thank you.

Did you have a specific product area or product line that you focused on as director within product control at Barclays?

A. I did. It was credit focused. I was involved in the credit derivative business as well as the CDO origination business.

Q. Were you involved in both the credit business and the CDO origination business throughout the time period of 2005/2006 through September of 2009?

A. I was involved in both of them through to about 2007, at which point I was then solely focused on the CDO business.

Q. Do you recall at what point in 2007 you became solely focused on the CDO business?

A. I don't specifically recall. I believe it was around midyear.

Q. And was that focus on CDO origination or all aspects of the CDO business?

A. It was the CDO business. It was headed up by Stephen King and Christopher Kraus.

Q. Who did you report to in 2007?

A. Marcus Morton.

Q. And what was his position at that time?

A. He was a director in product control.

Q. Do you know who Marcus Morton reported to at that time?

A. I believe locally he reported to Pritesh Pankhania, who was CFO of Barclays Americas.

Q. And who did you report to in 2008?

A. It was still Marcus Morton.

Q. And did he also report to -- I'm sorry --

A. Pritesh Pankhania. Yes. However, at some point a gentleman called James Walker joined Barclays as CFO, and I'm not sure at what point that was. So he would have reported to either

Q. Did you have any responsibilities for producing flash P&L reports in connection with your role as director of global credit derivatives at Barclays within the product control group?

A. I believe -- I did not produce any reports. However, I believe it was the responsible of product control, to the best of my recollection, to obtain flash numbers from the trading desk and pass that information into the GMIS system.

Q. After that information, the flash numbers from the trading desk, got passed through into the GMIS system, was a formal P&L report created?

A. The following day, yes.

Q. And was it your responsibilities to produce that formal P&L report?

A. Yes.

Q. Was it also your responsibility to reconcile any differences between the flash P&L report and the formal P&L report produced the next day?

A. It was, to the best of my recollection, the responsibility to try and explain differences between the flash and the formal.

Q. What if a difference could not be explained, was there a process for handling that?

A. I don't recall.

Q. Do you recall ever encountering a situation where a difference could not be explained?

A. I don't recall.

Q. I'd like to talk about the month-end closing process that I believe you testified you had some responsibility for.

A. Uh-huh.

Q. Can you describe sort of what your role was with respect to the month-end closing process?

MR. TOMAINO: Objection to form.

A. I don't really recall the whole month-end process. However, at a high level I believe that we considered the month-end process not that dissimilar to our daily process.

Q. What was the purpose of the month-end closing process?

MR. TOMAINO: Objection to form.

A. I'm not sure I understand the question.

Q. Let's take it back a second. When you items become the responsibility of Stephen King?

MR. TOMAINO: Objection to form, foundation.

A. My understanding is yes, with the exception of the NIMs and post-NIMs.

Q. Do you know who gained responsibility for those assets?

A. I don't know.

Q. Do you know if those assets were placed into a workout book at any point in time?

A. I don't recall ever having oversight on those positions nor do I recall where they -- who was responsible for them.

Q. You never had oversight responsibility for those positions?

A. Not to my recollection.

Q. What procedures would you undertake to formalize this P&L and produce a formal P&L for this portfolio?

MR. TOMAINO: Objection to form.

A. We would take the general ledgers on a T plus one basis. We would reconcile the P&L that had flowed through on the general ledgers back to the flash.

EXHIBIT 106

FILED UNDER SEAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BARCLAYS BANK PLC: Master File
SECURITIES LITIGATION 1:09-cv-01989-PAC

This Document Relates to:

ALL ACTIONS.

CONFIDENTIAL

VIDEOTAPED DEPOSITION OF PATRICK CLACKSON

Thursday, December 10, 2015
At: 8:27 am

Taken at:
Sullivan & Cromwell LLP
1 New Fetter Lane
London EC4A 1AM
United Kingdom

VERITEXT LEGAL SOLUTIONS
MID-ATLANTIC REGION
1801 Market Street - Suite 1800
Philadelphia, PA 19103

and then you forward the email chain on December 8 to Rich Ricci and Bob Diamond.

Your email states:

"US portfolio P&L for Friday, this was included in the t0 flash".

Do you see that?

A Yes.

Q What does t0 flash mean?

A T0 stands for time zero. So there was a -- the daily P&L process was -- there was an initial flash and then, when some of the validation work had been done, there was a final for daily P&L. So there would be a t0 flash and then a final, which might be on t1 or t2.

Q Okay.

So Mr Diamond then responds to you and Mr Ricci. He says:

"I know we are all working flat out, but we need to get together on this.

1. cannot continue to have ... 20 million loss days in sub prime, particularly in quiet markets. Not if we want to hit raf".

What is he referring to there?

A So the RAF, it's a Revised Annual Forecast, and so we had to give the Barclays group, as I think I mentioned earlier, periodic forecasts, so they could

EXHIBIT 107

FILED UNDER SEAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-------------------------- Master File No.:
IN RE BARCLAYS BANK PLC: : 1:09-cv-01989-PAC
SECURITIES LITIGATION :
--------------------------:
This Document Relates to: :
:
ALL ACTIONS. :
--------------------------:

August 28, 2015
9:38 a.m.

** CONFIDENTIAL ** CONFIDENTIAL **

VIDEOTAPED DEPOSITION of ERIC YOSS, taken by Plaintiffs, held at the offices of Sullivan & Cromwell, 125 Broad Street, New York, New York, Eileen Mulvenna, CSR/RMR/CRR, Certified Shorthand Reporter, Registered Merit Reporter, Certified Realtime Reporter, and Notary Public of the State of New York.

Q. To the best of your knowledge, were RMBSs largely held on Barclays' --
A. Yes.
Q. -- trading book --
A. Yes.
Q. -- in 2008 as well?
A. Yes.
Q. "P&L" in the subject line, do you see that?
A. Yes.
Q. What does that refer to?
A. Profit and loss.
Q. What is a P&L flash?
A. P&L flash is the first estimate that a trader sends about what he thinks the revenue might be for that day.
Q. And were P&L flashes distributed by the traders on a daily basis?
A. Yes.
Q. Were P&L flashes distributed on a daily basis with respect to individual asset classes or individual trading books? How did they work? What was --
A. So I don't recall the

aggregation algorithm. They -- they -- so I don't recall the -- I don't recall the aggregation algorithm. So P&L flashes were best estimates of that -- of what that day's trading P&L might be.

You know, in order to do that, you must start at the bottom and aggregate to the top eventually. I don't know the points at which those aggregations occurred.

Q. Who was responsible for distributing P&L flashes daily at Barclays in 2007?

A. I don't know.

Q. Was it the traders that were responsible for that?

A. I don't know.

Q. Who received -- strike that.

Did you receive daily P&L flashes in connection with your role and responsibilities for the oversight of the management of the risk function at Barclays?

A. Did I ever receive them? Yes, I did on occasion receive them.

Q. Did you receive P&L flashes

daily in connection with your role and responsibilities as the head of risk management at Barclays?

A. I don't recall if I received them daily.

Q. Why would you -- strike that.

What was the purpose of sending a daily P&L flash to a member of Barclays' risk management -- market risk management group?

A. Why was this particular one sent?

Q. Just in general, what was the purpose of sending a daily P&L flash to a member of Barclays' --

MR. TOMAINO: Objection to form.

BY MS. NEWCOMER:

Q. -- market risk management group?

A. So just to -- awareness of P&L is -- you know, is an aspect of risk management. So to the extent that there was going to be a large loss or a gain, that is information that a risk manager would find useful. Because it would either -- it's

EXHIBIT 108

FILED UNDER SEAL

Step

Entity Name: Barclays (North America)
Engagement Name: Barclays NY Group Audit 2008
Period End: 12/31/2008 12:00:00 AM

Status: Reviewed

Title: Subsequent event procedures

Details

☐
Standard Procedures:

Procedures to be performed, guidance and templates link	Work completed and links, including responses to matters arising
a) Identify subsequent events which may affect the financial statements (refer to and) and/or the effectiveness of the companyâ€™s internal control over financial reporting by inquiring about and examining evidence with respect to the following: i) the results of the review of minutes of meetings of shareholders, board of directors, audit, executive and other board committees since the balance sheet date. Inquire about matters dealt with at meetings after the balance sheet date for which no minutes are available; ii) any externally reported information prepared by the company; iii) the outcome of known uncertainties and contingent liabilities as at the balance sheet date, such as those relating to litigation, provisions and the outcome of significant transactions affecting the annual report. Pay particular attention to the risk areas; iv) results of subsequent event procedures by supporting engagement teams as requested in the multilocation instructions; v) internal audit reports on internal control over financial reporting (or similar functions, such as loan reviews in a financial institution); vi) independent auditor reports (if other than the auditorâ€™s) of significant deficiencies or material weaknesses; vii) regulatory agency reports on the companyâ€™s internal control over financial reporting; viii) information about the effectiveness of the companyâ€™s internal control over financial reporting obtained through other engagements; and ix) Hotline reports that include allegations of fraud unless clearly inconsequential.	
b) Consider changes in the following areas which may affect the financial statements and other information in the annual report:	

i) banking arrangements; ii) currency and interest rates; iii) key markets; iv) key products, customers or vendors; v) key management or employees; vi) government regulation or policy; and vii) the ratio of orders to sales and cash receipts and the position of the order book.	
c) Consider other significant knowledge gained, for example: i) press comments; ii) changes in client trading patterns; iii) changes in laws or regulations; vi) currency devaluations; v) major fires or catastrophes or technology failures (e.g. computer operations failures); and vi) security incidents.	
d) Where accounting estimates have been made in the financial statements, review subsequent events which confirm the estimate made.	
e) Where it is warranted due to inherent risks or the results of our other subsequent events procedures, perform the following additional procedures (refer to):	
i) If we have not already performed as part of auditing assets and liabilities, consider the need to review bank statements for major cash payments (in particular) and receipts after the balance sheet date. If these procedures are not practical, develop equivalent procedures, e.g., for a financial institution, review the financial positions summary.	
ii) review journal entries or the general ledger after the balance sheet date for evidence of significant adjustments or write-offs that relate to the audit period or which could affect the financial statements and/or effectiveness of the companyâ€™s internal control over financial reporting.	

☐
Tailored Procedures:

<table>
<tr><th>Procedures to be performed, guidance and templates link</th><th>Work completed and links, including responses to matters arising</th></tr>
<tr><td>a) Identify subsequent events which may affect the financial statements (refer to and) and/or the effectiveness of the companyâ€™s internal control over financial reporting by inquiring about and examining evidence with respect to the following:

i) the results of the review of minutes of meetings of shareholders, board of directors, audit, executive and other board committees since the balance sheet date. Inquire about matters dealt with at meetings after the balance sheet date for which no minutes are available;

ii) any externally reported information prepared by the company;

iii) the outcome of known uncertainties and contingent liabilities as at the balance sheet date, such as those relating to litigation, provisions and the outcome of significant transactions affecting the annual report. Pay particular attention to the risk areas;

iv) results of subsequent event procedures by supporting engagement teams as requested in the multilocation instructions;

v) internal audit reports on internal control over financial reporting (or similar functions, such as loan reviews in a financial institution);

vi) independent auditor reports (if other than the auditorâ€™s) of significant deficiencies or material weaknesses;

vii) regulatory agency reports on the companyâ€™s internal control over financial reporting;

viii) information about the effectiveness of the companyâ€™s internal control over financial reporting obtained through other engagements; and

ix) Hotline reports that include allegations of fraud unless clearly inconsequential.</td><td>These procedures are performed in PwC UK. The only procedures required for PwC NY is to enquire with senior management on subsequent events after year end.</td></tr>
<tr><td>b) Consider changes in the following areas which may affect the financial statements and other information in the annual report:

i) banking arrangements;

ii) currency and interest rates;

iii) key markets;

iv) key products, customers or vendors;

v) key management or employees;

vi) government regulation or policy; and

vii) the ratio of orders to sales and cash receipts and the position of the order book.</td><td></td></tr>
</table>

c) Consider other significant knowledge gained, for example: i) press comments; ii) changes in client trading patterns; iii) changes in laws or regulations; vi) currency devaluations; v) major fires or catastrophes or technology failures (e.g. computer operations failures); and vi) security incidents.	
d) Where accounting estimates have been made in the financial statements, review subsequent events which confirm the estimate made.	
e) Where it is warranted due to inherent risks or the results of our other subsequent events procedures, perform the following additional procedures (refer to):	Not applicable
i) If we have not already performed as part of auditing assets and liabilities, consider the need to review bank statements for major cash payments (in particular) and receipts after the balance sheet date. If these procedures are not practical, develop equivalent procedures, e.g., for a financial institution, review the financial positions summary.	
ii) review journal entries or the general ledger after the balance sheet date for evidence of significant adjustments or write-offs that relate to the audit period or which could affect the financial statements and/or effectiveness of the companyâ€™s internal control over financial reporting.	

Results:

For Group reporting, Jalen Tan (JT) has confirmed with PwC UK that subsequent event review only consist of enquiries with senior management and review of interim financial information will be performed in the UK. Refer to the documentation above for work done and the email from PwC UK below to confirm that only enquiries are required for subsequent event review

Enquiries made with senior management on subsequent events:

Conference call with James Walker, CFO on March 4, 2009, 9am

- January and February 2009 have generally been good months for the Barclays US operations. Revenue levels have exceeded budget but the last week of February has been slow as the credit spreads have blown out.
- The commodities business acquired from UBS is been brought on board. Barclays Capital US is also in the final stages of buying market makers Bear Wagner Specialists from J.P. Morgan. JP Morgan inherited Bear Wagner as part of their acquisition of parts of Bear Stearns. The acquisition amount is around $20million
- There has been no change in the methodology for calculating the reserves on the monolines and the current reserve methodology has been concluded as appropriate during the year end Group Audit as documented in the critical matter in the Barclays Derivatives and Other (Group Audit) 2008 MyClient file - "Monolines Counter-Party Credit Adjustment". From January to February 2009, additional reserves have been taken on the monolines, specifically with regards to the MBIA monoline, which has an exposure of $3,264 million and $1,093 million of reserves as of December 31, 2008. . The updated schedule with the calculation of the reserves have been shared with PwC London by Patrick Clackson, Global CFO.

- Barclays has also sold off a large portion of securities between Jan 09 to Feb 09 as the market has picked up over this period of time. An estimate of $2.5 billion worth of assets have been sold and sale prices are generally above the fair values (carrying prices) as of Dec 2008
- The acquisition of the businesses from Lehman have been progressing as expected. Out of the $1.5 billion receivables for the PIM customer balances acquired as part of the Lehman acquisition, $1.1 billion have been received, reducing the uncertainty over the collectibility of these receivables.
- Since the end of 2008, instead of holding on to the whole loans, a large portion of the whole loans for both Alt A and subprime have been moved to the PMTG desk. There have been some sale in these loans over Jan and Feb 09 and some gains have been booked on these sales over the past 2 months. Based on the information obtained from Phil Yu, PCG, whole loans of fair value of $20 million were sold in January 2009.
- Additional AFS losses have been recognized in the ABS securities collateralized by various financial assets which are designated as AFS under IFRS in addition to the $150 million recognized in 2008. This is mainly due to the downgrade of Alt A bonds and delinquencies in the ABS securities. Per James, $163 million of losses were recognized in Jan 09 and $70 million were recognized in Feb 09
- As at December 31, 2008, there was a difference between the financial statements prepared in accordance with U.S. GAAP and BCI's unaudited FOCUS report filed with FINRA and the SEC. The difference was approximately $2.9 billion of additional equity reported in the FOCUS report and this amount was initially recorded in the unaudited FOCUS report in September 2008 in relation to the Lehman transaction. Refer to the Barclays Capital 2008 database - Regulatory - SEC & FINRA Approval of Withdrawal of Equity Capital for the resolution of the difference
- There will be changes with regards to senior management over the next 2 months. James will be leaving Barclays over the next few weeks and Francis Pearn, Head of Equities, who came over from the Lehman acquisition, has also left Barclays. Martin Kelly, COO Barclays Americas will be transitioning into James role over the next few weeks and James will be handing over his duties to Martin to ensure a smooth transition process.

The step was updated on 3/26/08 by Jalen Tan, PwC to fix "broken document links" to accurately reference audit work performed. No other changes were made which alter the audit documentation or the original documents included in the step.

Attachments:

Florence N Akende/UK/ABAS/PwC@EMEA-UK

Florence N Akende/UK/ABAS/PwC@EMEA-UK	To	Robert MacGoey/US/ABAS/PwC@AMERICAS-US@INTL
03/03/2009 12:46 PM	cc	Jalen Tan/US/ABAS/PwC@Americas-US, Lynsey C Gunn/UK/ABAS/PwC@EMEA-UK
"Reply to All" is Disabled	Subject	Re: Subsequent events review

Yes Rob, it is just enquiries. We are getting the feb results and writedowns tomorrow and we may want you to follow up on a few things then but for now, it is only enquiries.

Florence.
-------------------- End of message text --------------------
What matters to CEOs in 2009? - http://www.pwc.co.uk/ceomatters
----

Robert MacGoey

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

From: Robert MacGoey
Sent: 03/03/2009 12:43 EST
To: Florence N Akende/UK/ABAS/PwC@EMEA-UK@INTL
Cc: Florence Akende; Jalen Tan/US/ABAS/PwC@Americas-US; Lynsey Gunn
Subject: Re: Subsequent events review

Florence

Is it just inquiries you want us to perform? I assume you are reviewing Jan and Feb results at the BarCap level.

Rob

Robert MacGoey | Banking & Capital Markets Assurance Services | PricewaterhouseCoopers | Telephone +1 646 471 4632 | Facsimile: +1 813 329 5758 | robert.macgoey@us.pwc.com

Florence N Akende/UK/ABAS/PwC@EMEA-UK

Florence N Akende/UK/ABAS/PwC@EMEA-UK

03/03/2009 12:35 PM

"Reply to All" is Disabled

To: Jalen Tan/US/ABAS/PwC@AMERICAS-US@INTL, Florence N Akende/UK/ABAS/PwC@EMEA-UK@INTL, Lynsey C Gunn/UK/ABAS/PwC@EMEA-UK@INTL

cc: Robert MacGoey/US/ABAS/PwC@Americas-US

Subject: Re: Subsequent events review

Jalen,

I am not sure I understand what you mean by what procedures will be performed in the US 'since the scoping file was provided by the UK'. What implications does us providing a scoping file have on the subsequent events review?

Florence.
-------------------- End of message text --------------------

---

Visit our website http://www.pwc.com/uk

Jalen Tan

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

From: Jalen Tan
Sent: 03/03/2009 11:16 EST
To: Florence N Akende/UK/ABAS/PwC@EMEA-UK@EMEA-UK@INTL; Lynsey C Gunn/UK/ABAS/PwC@EMEA-UK@EMEA-UK@INTL
Cc: Robert MacGoey/US/ABAS/PwC@Americas-US
Subject: Subsequent events review

Florence and Lynsey,

we are currently performing the subsequent events review for Group reporting. Can I check what procedures will be performed here in the US by us since the scoping file was provided this year from the UK? Thanks

Jalen

Jalen Tan | Banking & Capital Markets | PricewaterhouseCoopers | Telephone: +1 646 471 6037 | Facsimile +1 813 329 1677 | jalen.tan@us.pwc.com

Thoughts don't need paper to take shape.

Categorisation

Section:	50 - Completion
Area:	8700 - Subsequent events
Risk:	A - Procedures prior to report date
Master Data:	US AS 5 Integrated Audit General April, 2008 - Required
Review Categorisation:	
Assignee:	

Audit Objectives:
Reference: -
Document Sort No: 870020
Paper File? No
Control Step? No

Status & Maintenance

Status: Reviewed

Completed By:	Gregory Moss/US/ABAS/PwC	03/05/2009
Reviewed By:	Jalen Tan/US/ABAS/PwC	03/26/2009
	Jalen Tan/US/ABAS/PwC	03/05/2009

Maintenance

Created By:	Gregory Moss/US/ABAS/PwC	06/26/2008
Last Modified By:	Jalen Tan/US/ABAS/PwC	03/26/2009
Editors:	Gregory Moss/US/ABAS/PwC	
	Jalen Tan/US/ABAS/PwC	

Edit History:

Jalen Tan/US/ABAS/PwC on: 14 February 2009
Jalen Tan/US/ABAS/PwC on: 04 March 2009
Jalen Tan/US/ABAS/PwC on: 04 March 2009
Gregory Moss/US/ABAS/PwC on: 05 March 2009
Jalen Tan/US/ABAS/PwC on: 05 March 2009
Jalen Tan/US/ABAS/PwC on: 26 March 2009

EXHIBIT 109

FILED UNDER SEAL

From: McCosker, Tom: Product Control (NYK) [/O=BZW/OU=USA/CN=RECIPIENTS/CN=NEW YORK/CN=1MCCOSKET]
Sent: Friday, February 22, 2008 12:26:01 AM
To: Agency CDO PCG
Subject: FW: US Portfolio Asset Book FLASH P&L Feb 21st
Attachments: Flash 02-21-08.xls

Going forward, if we flash P&L to a certain category we must ensure it is formalized.
Yesterday we flashed down $(4)mm against the CDO line but formalize nothing, same for CMBS and Other.
I know it means a little more work but these MTD and YTD numbers have to make sense every day due to the distribution and focus on the business. People are looking very closely at the current hedging relationships particularly on the subprime numbers and as such we cannot use it as a "dumping ground" for everything until we finalize the monthend.

Thanks

From: Anderson, Elida: Product Control (NYK)
Sent: Thursday, February 21, 2008 7:21 PM
To: McCosker, Tom: Product Control (NYK); Bommensath, Eric: Markets (NYK); Ornstein, David: Markets (LDN); King, Stephen: CDO (NYK); MIS Product Control (NYK); Patel, Rahil: Product Control (LDN); Morton, Marcus: Product Control (NYK); Smith, Richard: Finance (LDN); Kaczka, Joseph: Product Control (NYK); Clackson, Patrick: Finance (LDN); Walker, James: Finance (NYK); Copson, Paul: Finance (LDN); Yoss, Eric: Market Risk (NYK); Hamilton, Tom: RMBS Trading (NYK); MBS Product Control; Anderson, Elida: Product Control (NYK); Agency CDO PCG
Subject: US Portfolio Asset Book FLASH P&L Feb 21st

Barclays Capital **GMIS - Global MIS P&L**

21 Feb 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD
US ABS Portfolio			
CDO	0	(4,884)	(130,535)
Alt-A	0	0	(100,000)
CMBS	413	(609)	(10,428)
Other ABS	2,500	2,500	2,500
Relative Value	0	0	0
Reserves - Trading	0	7,561	27,948
Subprime	(700)	8,872	(45,008)
US ABS Portfolio Total	**2,213**	**13,441**	**(255,522)**
US Cash Portfolio			
Whole Loans (US)	0	0	(191,766)

Impairment	0	0	0
NBT	0	(3,911)	(91,604)
Nims / Post Nims	(85)	(2,039)	(5,452)
US Cash Portfolio Total	**(85)**	**(5,950)**	**(288,823)**
Net Revenue Total	**2,128**	**7,491**	**(544,345)**

Commentary:

+ $2.21m due to CMBS remarks (+$413k) and -133k IR01 on 16-20bps tightening of 2Y through 7Y swaps (+$2.5m), partially offset by spread widening in AAA ABX sector where desk is net long notional $118m (-$700k).

Please direct any queries to mis product control (NYK)

Flash 02-21-08.xls

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US Portfolio Asset Book (ABS and Cash) Flash Summary Report

21 Feb 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD	P&L Comment
US ABS Portfolio				
CDO	0	(4,884)	(130,535)	
Alt-A	0	0	(100,000)	
CMBS	413	(609)	(10,428)	+ $413k due to CMBS remarks.
Other ABS	2,500	2,500	2,500	+ $2.5m due to -133k IR01 on 16-20bps tightening of 2Y through 7Y swaps.
Relative Value	0	0	0	
Reserves - Trading	0	7,561	27,948	
Subprime	(700)	8,872	(45,008)	- $700k due to spread widening in the AAA ABX sector where we are net long notional $118m.
US ABS Portfolio Total	**2,213**	**13,441**	**(255,522)**	
US Cash Portfolio				
Whole Loans (US)	0	0	(191,766)	
Impairment	0	0	0	
NBT	0	(3,911)	(91,604)	
Nims / Post Nims	(85)	(2,039)	(5,452)	daily funding expense on Uncollaterlized Loan for 1 day
US Cash Portfolio Total	**(85)**	**(5,950)**	**(288,823)**	
Net Revenue Total	**2,128**	**7,491**	**(544,345)**	

US Portfolio Asset Book (ABS and Cash) Flash Detail Report

21 Feb 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD	P&L Comment
US ABS Portfolio				
CDO				
Cash	0	(3,514)	(122,745)	
Reserve - NAV Impairment	0	(1,369)	(3,147)	
Synthetic	0	0	(4,643)	
CDO Total	**0**	**(4,884)**	**(130,535)**	
Alt-A				
Cash	0	0	(100,000)	
Synthetic	0	0	0	
Alt-A Total	**0**	**0**	**(100,000)**	
CMBS				
Cash	413	(609)	(10,428)	+ $413k due to CMBS remarks.
Synthetic	0	0	0	
CMBS Total	**413**	**(609)**	**(10,428)**	
Other ABS				
Cash	2,500	2,500	2,500	+ $2.5m due to -133k IR01 on 16-20bps tightening of 2Y through 7Y swaps.
Synthetic	0	0	0	
Other ABS Total	**2,500**	**2,500**	**2,500**	
Relative Value				
ABX	0	0	0	
Cash	0	0	0	
Synthetic	0	0	0	
Relative Value Total	**0**	**0**	**0**	
Reserves - Trading	0	7,561	27,948	
Subprime				
ABX	0	0	0	
Cash	(700)	68,197	118,359	- $700k due to spread widening in the AAA ABX sector where we are net long notional $118m.
Reserves - NAV Impairment	0	(59,324)	(163,367)	
Synthetic	0	0	0	
Subprime Total	**(700)**	**8,872**	**(45,008)**	
US ABS Portfolio Total	**2,213**	**13,441**	**(255,522)**	
US Cash Portfolio				
Whole Loans (US)				
Cash	0	0	(191,766)	
Synthetic	0	0	0	
Whole Loans (US) Total	**0**	**0**	**(191,766)**	
Impairment	0	0	0	
NBT				
Cash	0	0	(87,693)	
Synthetic	0	(3,911)	(3,911)	
NBT Total	**0**	**(3,911)**	**(91,604)**	
Nims / Post Nims				
Cash	(85)	(2,039)	(5,452)	daily funding expense on Uncollaterlized Loan for 1 day
Synthetic	0	0	0	
Nims / Post Nims Total	**(85)**	**(2,039)**	**(5,452)**	
US Cash Portfolio Total	**(85)**	**(5,950)**	**(288,823)**	
Net Revenue Total	**2,128**	**7,491**	**(544,345)**	

<u>EXHIBIT 110</u>

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From: Anderson, Elida: Product Control (NYK) [/O=BZW/OU=USA/CN=NYK AD USERS/CN=USERS/CN=ANDERSOE]
Sent: Wednesday, January 30, 2008 11:51:34 PM
To: Uotila, Christopher: Product Control (NYK); McCosker, Tom: Product Control (NYK); Bommensath, Eric: Markets (NYK); Ornstein, David: Markets (LDN); King, Stephen: CDO (NYK); MIS Product Control (NYK); Patel, Rahil: Product Control (LDN); Morton, Marcus: Product Control (NYK); Smith, Richard: Finance (LDN); Kaczka, Joseph: Product Control (NYK); Agency CDO PCG; Clackson, Patrick: Finance (LDN); Walker, James: Finance (NYK); Copson, Paul: Finance (LDN); Yoss, Eric: Market Risk (NYK); Hamilton, Tom: RMBS Trading (NYK); MBS Product Control
Subject: US Portfolio Asset Book FLASH P&L Jan 30th
Attachments: Flash 013008.xls

30 Jan 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD
US ABS Portfolio			
CDO	0	(9,498)	(9,498)
Alt-A	0	0	0
CMBS	0	0	0
Other ABS	0	0	0
Relative Value	0	0	0
Reserves - Trading	0	4,605	4,605
Subprime	5,000	(59,401)	(59,401)
US ABS Portfolio Total	**5,000**	**(64,294)**	**(64,294)**
US Cash Portfolio			
Whole Loans (US)	0	0	0
Impairment	0	0	0
NBT	0	0	0
Nims / Post Nims	0	(3,193)	(3,193)
US Cash Portfolio Total	**0**	**(3,193)**	**(3,193)**
Net Revenue Total	**5,000**	**(67,488)**	**(67,488)**

Commentary:

Net +$5mm gain primarily due to booking and hedging of Silverton exposure (+8m), bid/offer reserve release (+11m), remark of CMBS positions (-$9m), and interest rate swap movement due to change in curve (-S5m).

Please direct any queries to mis product control (NYK)

Flash 013008.xls

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US Portfolio Asset Book (ABS and Cash) Flash Summary Report

30 Jan 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD	P&L Comment
US ABS Portfolio				
CDO	0	(9,498)	(9,498)	
Alt-A	0	0	0	
CMBS	0	0	0	
Other ABS	0	0	0	
Relative Value	0	0	0	
Reserves - Trading	0	4,605	4,605	
Subprime	5,000	(59,401)	(59,401)	Net +$5mm gain primarily due to booking and hedging of Silverton exposure (+8m), bid/offer reserve release (+11m), remark of CMBS positions (-$9m), and interest rate swap movement due to change in curve (-$5m).
US ABS Portfolio Total	**5,000**	**(64,294)**	**(64,294)**	
US Cash Portfolio				
Whole Loans (US)	0	0	0	
Impairment	0	0	0	
NBT	0	0	0	
Nims / Post Nims	0	(3,193)	(3,193)	
US Cash Portfolio Total	**0**	**(3,193)**	**(3,193)**	
Net Revenue Total	**5,000**	**(67,488)**	**(67,488)**	

US Portfolio Asset Book (ABS and Cash) Flash Detail Report

30 Jan 2008 - USD ('000s)	Flash Daily	Formal MTD	Formal YTD	P&L Comment
US ABS Portfolio				
CDO				
Cash	0	(3,078)	(3,078)	
Reserve - NAV Impairment	0	(1,778)	(1,778)	
Synthetic	0	(4,643)	(4,643)	
CDO Total	**0**	**(9,498)**	**(9,498)**	
Alt-A				
Cash	0	0	0	
Synthetic	0	0	0	
Alt-A Total	**0**	**0**	**0**	
CMBS				
Cash	0	0	0	
Synthetic	0	0	0	
CMBS Total	**0**	**0**	**0**	
Other ABS				
Cash	0	0	0	
Synthetic	0	0	0	
Other ABS Total	**0**	**0**	**0**	
Relative Value				
ABX	0	0	0	
Cash	0	0	0	
Synthetic	0	0	0	
Relative Value Total	**0**	**0**	**0**	
Reserves - Trading	0	4,605	4,605	
Subprime				
ABX	0	0	0	
Cash	5,000	44,095	44,095	Net +$5mm gain primarily due to booking and hedging of Silverton exposure (+8m), bid/offer reserve release (+11m), remark of CMBS positions (-$9m), and interest rate swap movement due to change in curve (-$5m).
Reserves - NAV Impairment	0	(103,496)	(103,496)	
Synthetic	0	0	0	
Subprime Total	**5,000**	**(59,401)**	**(59,401)**	
US ABS Portfolio Total	**5,000**	**(64,294)**	**(64,294)**	
US Cash Portfolio				
Whole Loans (US)				
Cash	0	0	0	
Synthetic	0	0	0	
Whole Loans (US) Total	**0**	**0**	**0**	
Impairment	0	0	0	
NBT				
Cash	0	0	0	
Synthetic	0	0	0	
NBT Total	**0**	**0**	**0**	
Nims / Post Nims				
Cash	0	(3,193)	(3,193)	
Synthetic	0	0	0	
Nims / Post Nims Total	**0**	**(3,193)**	**(3,193)**	
US Cash Portfolio Total	**0**	**(3,193)**	**(3,193)**	
Net Revenue Total	**5,000**	**(67,488)**	**(67,488)**	