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AIG Email from Andrew Forster to Joe Cassano regarding Merrill marks

Andrew Forster

Tom Athan

Robert Caggiano

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From: Forster, Andrew
Sent: 11/09/2007 01:09:53 PM
To: Cassano, Joseph; Micottis, Pierre
Subject: Merrill Marks
Attachments: AIG_Sent_110607 (2).xls; ML CDO deal 1031 month end prices in 90s attached.msg

Attached are the marks we just got from Merill. I added them to the first excel sheet so you can see their marks vs GS's.

Name		CUSIP	Notional	Factor
Mercury CDO 2004-1, Ltd. (A-1NV)	MRCY 2004-1A A1NV	58936RAB3	299,800,000	0.67
Reservoir Funding Ltd. (A-1NV)	RESF 2004-1A A1NV	76112CAB4	374,800,000	0.84
Jupiter High-Grade CDO III, Ltd. (A-1NV)	JPTR 2005-3A A1NV	48206AAG3	1,299,500,000	0.96
Altius II Funding, Ltd. (A-1)	ALTS 2005-2A A1	02149WAA5	1,277,900,000	0.90
Broderick CDO 1 Ltd. (A-1NVA)	BROD 2005-1A A1NA	112021AB6	354,500,000	0.97
Broderick CDO 1 Ltd. (A-1NVB)	BROD 2005-1A A1B1	112021AC4	485,000,000	0.97
Orient Point CDO, Ltd. (A-1NVA) Delayed	ORPT 2005-1A A1VF	68619MAL5	647,250,000	1.00
Orient Point CDO, Ltd. (A-1NVB)	ORPT 2005-1A A1VB	68619MAQ4	649,750,000	1.00
Kleros Preferred Funding II, Ltd. (A-1NV)	KLROS 2006-2A A1NV	498588AC6	869,500,000	0.99
West Coast Funding I, Ltd. (A-1a)	WESTC 2006-1A A1A	952186AA2	1,187,950,000	1.00
West Coast Funding I, Ltd. (A-1b)	WESTC 2006-1A A1B	952186AB0	1,187,850,000	1.00
Triaxx Prime CDO, Ltd. 2006-2A	TRIAX 2006-2A A1B2	896008AC3	1,499,850,000	1.00
Triaxx Prime CDO, Ltd. 2006-2A (A1B1)	TRIAX 2006-2A A1B1	896008AB5	1,499,850,000	1.00
Independence V CDO, Ltd. (A-1)	INDE5 5A A1	45343PAA3	200,000,000	0.71
MKP CBO III, Ltd. (A)	MKP 3X A1	G6177YAA0	140,000,000	0.27
Duke Funding VII, Ltd. (I-A2)	DUKEF 2004-7A 1A2	264403AJ5	129,650,000	1.00
Dunhill ABS CDO, Ltd. (A-1NV)	DUNHL 2004-1A A1NV	26545QAQ2	327,000,000	0.83
Huntington CDO, Ltd. (A-1A NV)	HUNTN 2005-1A A1A	446279AA9	406,500,000	1.00
River North CDO Ltd. (A-1)	RIVER 2005-1A A1	768277AA3	149,750,000	1.00
Orchid Structured Finance CDO II, Ltd. (A-1)	ORCHD 2005-2A A1	68571UAA7	113,750,000	0.92
Saturn Ventures 2005-1, Ltd. (A-1)	SATV 2005-1A A1	80410RAA4	267,750,000	0.73
South Coast Funding VII Ltd. (A-1ANV)	SCF 7A A1AN	83743YAS2	773,500,000	0.88
Ischus CDO II Ltd. (A-1A)	ICM 2005-2A A1A	46426RAA7	213,750,000	1.00
Ischus CDO II Ltd. (A-1B Delayed)	ICM 2005-2A A1B	46426RAB5	50,000,000	1.00
Sherwood Funding CDO II, Ltd. (A-1)	SHERW 2005-2A A1	82437XAA6	322,250,000	1.00
South Coast Funding VIII Ltd. (A-1NV)	SCF 8A A1NV	83743LAC5	344,500,000	0.97
Lexington Capital Funding, Ltd. (A-1ANV)	LEXN 2005-1A A1AN	52902TAC0	199,500,000	0.95

	Sep M/E	Sep M/E	Sep M/E	Oct M/E	Oct M/E	Oct M/E	Merrill
Actual Notional	Bid	Offer	Mid	Bid	Offer	Mid	mid
200,994,743	87.50	95.00	91.25	85.00	95.00	90.00	92.00
315,681,873	82.50	90.00	86.25	75.00	85.00	80.00	95.00
1,253,495,357	77.50	87.50	82.50	70.00	80.00	75.00	95.00
1,153,336,443	87.50	95.00	91.25	82.50	92.50	87.50	
345,420,648	77.50	85.00	81.25	62.50	72.50	67.50	95.00
472,578,320	77.50	85.00	81.25	62.50	72.50	67.50	
647,250,000	70.00	80.00	75.00	55.00	65.00	60.00	95.00
649,750,000	70.00	80.00	75.00	55.00	65.00	60.00	95.00
859,602,990	80.00	87.50	83.75	77.50	87.50	82.50	95.00
1,187,950,000	90.00	97.00	93.50	62.50	72.50	67.50	
1,187,850,000	65.00	75.00	70.00	57.50	67.50	62.50	
1,499,850,000	94.00	99.00	96.50	85.00	100.00	92.50	
1,499,850,000	94.00	99.00	96.50	85.00	100.00	92.50	
142,553,117	77.50	87.50	82.50	62.50	72.50	67.50	
37,867,405	80.00	90.00	85.00	90.00	97.50	93.75	
129,650,000	87.50	95.00	91.25	65.00	75.00	70.00	
271,101,327	80.00	90.00	85.00	70.00	80.00	75.00	95.00
406,500,000	80.00	90.00	85.00	75.00	85.00	80.00	95.00
149,750,000	80.00	90.00	85.00	65.00	75.00	70.00	
104,094,972	72.50	82.50	77.50	60.00	70.00	65.00	
196,736,964	80.00	90.00	85.00	75.00	85.00	80.00	
684,086,415	75.00	85.00	80.00	60.00	70.00	65.00	90.00
213,750,000	80.00	90.00	85.00	50.00	60.00	55.00	
50,000,000	80.00	90.00	85.00	50.00	60.00	55.00	
322,250,000	85.00	92.50	88.75	55.00	65.00	60.00	
335,104,984	72.50	82.50	77.50	50.00	60.00	55.00	80.00
189,951,776	77.50	87.50	82.50	55.00	65.00	60.00	90.00

From: Athan, Tom
Sent: 11/09/2007 12:49:03 PM
To: Forster, Andrew
CC: Frost, Alan; Liebergall, Jon
Subject: ML CDO deal 10/31 month end prices in 90s attached
Attachments: AIG.xls

...1 mezz deal (SC 7) at 80

Remember, I think the confy we signed last month to see these marks is still in place thus we cant forward it on to others but we can use it to discuss with others

Tom Athan
AIG Financial Products Corp.
203-222-4714 phone
athan@aigfpc.com

From: Caggiano, Robert (GMI-DCS&O) [mailto:robert_caggiano@ml.com]
Sent: Friday, November 09, 2007 12:45 PM
To: Athan, Tom
Cc: Figler, Todd (Strategic Solutions Group - FIG)
Subject: Month end

Tom,

Here are the prices you requested. We will set them up so that you receive them monthly going forward.

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AIGFP

Valuation Date

10/31/2007

Report sent to:

Name

Email

Phone

Fax

AE Name

AE Email

Report sent from:

Client Valuation Group

cdo_pricing@ml.com

212-236-8482

212-236-8541

Deal Name	CUSIP/ISIN	BBRG Ticker	Mid Market Spread	Mid Market Value
Broderick CDO 1 Ltd. (A-1NVA)	112021AB6			95.00
Broderick CDO 1 Ltd. (A-1NVB)	112021AC4			95.00
Broderick CDO 1 Ltd. (A-1V)	112021AA8			95.00
Dunhill ABS CDO Ltd.(A-1VA)	26545QAA7			95.00
Dunhill ABS CDO, Ltd. (A-1NV)	26545QAQ2			95.00
Glacier Funding CDO II, Ltd. (A-1V)	37638VAA1			95.00
Glacier Funding CDO II, Ltd. (A-1V)	37638VAG8			95.00
Huntington CDO, Ltd. (A-1A NV)	446279AA9			95.00
Huntington CDO, Ltd. (A-1B V)	446279AC5			95.00
Jupiter High-Grade CDO III, Ltd. (A-1NV)	48206AAG3			95.00
Jupiter High-Grade CDO III, Ltd. (A-1VA)	48206AAA6			95.00
Kleros Preferred Funding II, Ltd. (A-1NV)	498588AC6			95.00
Kleros Preferred Funding II, Ltd. (A-1V)	498588AA0			95.00
Lexington Capital Funding, Ltd. (A-1ANV)	52902TAC0			90.00
Lexington Capital Funding, Ltd. (A-1B)	52902TAE6			90.00
Mercury CDO 2004-1, Ltd. (A-1NV)	58936RAB3			92.00
Mercury CDO 2004-1, Ltd. (A-1VA)	58936RAA5			92.00
Orient Point CDO, Ltd. (A-1NVA) Delayed	68619MAL5			95.00
Orient Point CDO, Ltd. (A-1NVB)	68619MAQ4			95.00
Orient Point CDO, Ltd. (A-1V)	68619MAJ0			95.00
Reservoir Funding Ltd. (A-1NV)	76112CAB4			95.00
Reservoir Funding Ltd. (A-1V)	76112CAA6			95.00
South Coast Funding VII Ltd. (A-1ANV)				90.00
	83743YAS2			
South Coast Funding VII Ltd. (A-1B) Voting				90.00
	83743YAB9			
South Coast Funding VIII Ltd. (A-1NV)				80.00
	83743LAC5			
South Coast Funding VIII Ltd. (A-1V)				80.00
	83743LAA9			

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Discussions of the trade values in general, and indicative or firm price quotations and actual trade prices in particular, may vary significantly from these written estimated values as a result of various factors, which may include (but are not limited to) the composition of the remainder of your portfolio, the immediate intentions of you and others with respect to similar or related positions, prevailing credit spreads, market liquidity, position size, transaction and financing costs, hedging costs and risks and use of capital and profit. Bid-side valuations attempt to approximate the amount a party would pay to purchase the asset or position, and offer side valuations attempt to approximate the amount a party would pay to sell an asset or position.

These estimates may not be representative of any theoretical or actual internal valuations employed by us for our own purposes, may vary during the course of any particular day and may vary significantly from the estimates or quotations that would be given by another dealer. You should consult with your own accounting or other advisors as to the adequacy of this information for your purposes. As a condition for providing these estimates, you agree that Merrill Lynch makes no representation and shall have no liability in any way arising there from to you or any other entity for any loss or damage, direct or indirect, arising from the use of this information.