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**From:** Paul Morris [REDACTED]  
**Sent:** 1/13/2015 4:54:27 PM  
**To:** Stewart Oldfield [REDACTED]  
**Subject:** Fw: Trade Recap - 01/13/2015 - DB Commodity WTI Short Volatility II Index [C]

Classification: Confidential

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

**From:** Daniel Sabba  
**Sent:** 01/13/2015 03:12 PM EST  
**To:** jeevacation@gmail.com  
**Cc:** [REDACTED] Paul Morris; Vahe Stepanian  
**Subject:** Trade Recap - 01/13/2015 - DB Commodity WTI Short Volatility II Index [C]  
Classification: Confidential

Jeffrey, per our phone conversation, Southern Financial LLC entered into the following commodity swap with Deutsche Bank AG, acting through its London branch. Southern Financial went long DB Commodity WTI Short Volatility II Index. Initial strike to be set at close today. The Initial Margin on this trade is 5% of Notional. Official termsheet and confirm to follow.

Trade recap:

OTC index swap

**Buyer:** SOFL  
**Seller:** DBAG London  
**Underlying:** DB Commodity WTI Short Volatility II Index  
**Bloomberg Ticker:** DBCMWSV2 Index  
**Trade Date:** 13 Jan 2015  
**Effective Date:** 13 Jan 2015  
**Expiry Date:** 13 Jan 2016  
Resets at end of each calendar quarter. For clarity reset dates are:  
31-Mar-15, 30-Jun-15, 30-Sep-15, 31-Dec-15, 13-Jan-16  
**Settlements:** T+2  
**Notional:** \$10,000,000  
**IA:** \$500,000 paid by SOFL on 14-Jan-2015.  
Up to 1.5% fees charged on exit under normal circumstances, irrespective of whether the exit is on scheduled Expiry Date or earlier  
**Strike:** Underlying closing level on Effective Date

Cash flows:

On each reset date:

Buyer receives: Notional / Strike \* (Index closing level on reset date - Index closing level on previous reset date)

For the first reset date, Index closing level on previous reset date = Strike

Thank you for the trade,  
Daniel

Daniel Sabba  
Key Client Partners  
Deutsche Bank Securities Inc.  
[REDACTED]  
[REDACTED]