

Cc: Paul Morris; 'Richard Kahn'; Vahe Stepanian; Ariane Dwyer; Stewart Oldfield
Subject: RE: Trade Recap - 01/27/2015 - Long TWTR on 1y TRS, Short TWTR 1y calls [C]

Classification: **Confidential**

Jeffrey, please see below offers to unwind the short call position only:

For TWTR reference of \$31.60 the cost to unwind is \$1.89/share with a delta of 32%.
This assumes we work our execution and delta adjust price.

There will be a change in IA for the TRS once the call is unwound, as the IA of long TRS + short calls is lower than simply long TRS. We are waiting to hear back from our credit team on what this change would be and will advise.

Regards,
Daniel

From: Vahe Stepanian
Sent: Tuesday, January 27, 2015 5:50 PM
To: Daniel Sabba; jeffrey E.
Cc: Paul Morris; Richard Kahn
Subject: RE: Trade Recap - 01/27/2015 - Long TWTR on 1y TRS, Short TWTR 1y calls [C]

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Jeffrey – please find updated TWTR trade details below (inclusive of initial strike), along with attached termsheet.

Total Return Swap:

Swap Seller: DB
Swap Buyer: Southern Financial LLC
Ticker: TWTR
Size: 100,000 shares
Expiry: 1/27/2016
Spread: 1mL+ 75bps
Resets: Monthly
Optional Early Termination: Applicable, 3 days (two-way)
Commissions: \$0.03 per share in and out
Initial Strike: \$38.9662 (Gross) / \$38.9962(Net)

European Call options on TWTR:

Option Seller: Southern Financial LLC
Option Buyer: DB
Shares: 100,000
Notional: \$3,896,620.00
Type: Call
Style: European
Expiry: 1/27/2016
Strike: \$38.9662
Premium client receives: \$728,278.28 (18.69%)

Thank you,
Vahe

From: Daniel Sabba
Sent: Tuesday, January 27, 2015 2:14 PM