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On May 31, 2016, at 11:01 AM, Vahe Stepanian <[REDACTED]> wrote:

Classification: **Confidential**

Rich,

Please see below refreshed indications – these levels are not tradable. We did not refresh the \$50 strikes as they are well in the money now. Further, we heard back from our Credit Risk Management team and they would require 40% IA for the below transactions in cash or treasuries (i.e. approx. \$20mm on 1mm barrels of WTI).

Notional: 1mm barrels of WTI

**WTI futures references:**

CLU6 ref 50.75, option exp 17Aug16

CLZ6 ref 51.65, option exp 16Nov16

CLH7 ref 52.00, option exp 15Feb17

**Premium neutral risk reversals on WTI - Indications**

Southern financial buys calls and sells puts for zero net premium.

These are listed look-alike structures to be executed through Southern Financial's ISDA.

**option exp 17Aug16**

Future reference: CLU6

Call strike: 55

Put strike: 47.00

**option exp 16Nov16**

Future reference: CLZ6

Call strike: 55

Put strike: 48.90

**option exp 15Feb17**

Future reference: CLH7

Call strike: 55

Put strike: 49.85

Thank you,

Vahe