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**From:** Stewart Oldfield  
**Sent:** Wednesday, June 08, 2016 10:01 AM  
**To:** Vahe Stepanian; Richard Kahn  
**Cc:** Daniel Sabba; Joseph Dursi; Andrew King  
**Subject:** RE: indication on WTI risk reversals [C]

Classification: **Confidential**

Please pass along any feedback on the pricing if you have it.

We are also working on the preferred request you sent. We have a manager that runs SMAs of preferreds for our clients that can be levered in a margin account. I think it could make sense for you to pursue a more diversified and active strategy in that space given the unique characteristics of each issue. It's likely the most straightforward way to get exposure. We just need to sort out what the margin release will be.

I don't see a good way for us to recommend specific preferred issues to you, but would happily look at leverage on a basket that you select.

On the structured note front, I haven't seen preferreds put into a levered note structure. If you just want levered exposure, margin or swap will be the cleanest way to do that. If you are looking for yield and aren't wed to buying preferreds, the notes structures can be useful there.

We will be back to you shortly.

Thanks

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**From:** Vahe Stepanian  
**Sent:** Tuesday, June 07, 2016 11:23 AM  
**To:** Richard Kahn  
**Cc:** Daniel Sabba; Stewart Oldfield  
**Subject:** RE: indication on WTI risk reversals [C]

Classification: **Confidential**

Rich,