

Subject: RE: Southern Financial and Southern Trust ISDA/CSAs [I]
From: Roddy Moore <[REDACTED]>
Date: Tue, 07 Jul 2015 10:42:39 -0400
To: Vahe Stepanian <[REDACTED]>, Troy-D Williams <[REDACTED]>
Cc: Paul Morris <[REDACTED]>, Stewart Oldfield <[REDACTED]>, Daniel Sabba <[REDACTED]>, Andrew Xu <[REDACTED]>

We're going to need updated financials to amend the CSA.

From a process perspective, we'll review the financials with the ask in mind and determine if the ask is supported by what we see. If so, then we submit the request for the amendment. If not, then we'll let you know what we're comfortable with. If we can come to an agreement, then we submit the request for the amendment.

Keep in mind that we consider each entity separately. Meaning... If SF wants \$100MM, then the SF balance sheet needs to support \$100MM. Thanks.

Roddy Moore

Credit Risk Management

Deutsche Asset & Wealth Management

(P) 212-454-1162

From: Vahe Stepanian
Sent: Tuesday, July 07, 2015 10:28 AM
To: Troy-D Williams; Roddy Moore
Cc: Paul Morris; Stewart Oldfield; Daniel Sabba; Andrew Xu
Subject: Southern Financial and Southern Trust ISDA/CSAs [I]

Classification: For internal use only

Troy/Roddy – we are following up on our conversations last week regarding Southern Financial and Southern Trust’s existing ISDAs with Deutsche Bank. As mentioned, the CSAs currently have USD 40mm and USD 10mm “Tier I Ceiling Limit” respectively (ISDA/CSAs are attached). The client has requested that we increase Southern Financial LLC’s Tier I Ceiling Limit to USD 100mm.

On Thursday 7/2/15, Southern Financial sold EURUSD calls to offset the cost of purchasing EURUSD puts, which required that SFLLC post collateral. Per the STG FX desk, given the size of the sold calls (EUR 75mm notional), Southern Financial is using up a significant portion of its’ current Tier 1 capacity per the CSA. Given the client has already indicated that he may wish to add to his positions, we would like to understand the process by which we can amend the CSA to grant the client additional capacity.

Back in November 2014 (<1y), we received the attached updated financials from the client by which DB drafted a Global Master Repurchase Agreement (GMRA). If possible, can we leverage these financials to revise the client’s existing ISDA and/or CSA? The financials indicate that between the two entities, the client has > \$105mm of cash and cash equivalents.

Thank you,

Vahe

Vahe Stepanian

Assistant Vice President | Key Client Partners
Deutsche Bank Securities Inc.
Tel. +1 212 454-1539
Mobile +1 347 854-4676
Email [REDACTED]

All trade execution information contained herein is being provided as an accommodation at your request in advance of your receipt of the official trade confirmation(s). Additional trade detail information available upon request. The terms of the trade(s) may be subject to change prior to settlement, and therefore the official trade confirmation(s) and account statements issued by Deutsche Bank shall govern. Deutsche Bank is not responsible for any discrepancy between the informal execution report and the official trade confirmation(s) or account statements.

