

Subject: RE: Southern Financial - IA Request [I]
From: Vahe Stepanian <[REDACTED]>
Date: Wed, 29 Jun 2016 08:30:13 -0400
To: Stewart Oldfield <[REDACTED]>
Cc: Daniel Sabba <[REDACTED]>, Andrew King <[REDACTED]>

Classification: For internal use only

Will check and send to Rich.

From: Stewart Oldfield
Sent: Wednesday, June 29, 2016 8:28 AM
To: Vahe Stepanian
Cc: Daniel Sabba; Andrew King
Subject: Re: Southern Financial - IA Request [I]

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So is ia same for all names?

Stewart Oldfield, CFA, CAIA
Director

Deutsche Bank Trust Company Americas
Deutsche Bank Wealth Management
345 Park Avenue, New York, NY 10154
Tel: [REDACTED]
Mobi [REDACTED] blackberry
Email: [REDACTED]

Securities offered through Deutsche Bank Securities Inc.

From: Vahe Stepanian
Sent: Wednesday, June 29, 2016 08:23 AM
To: Stewart Oldfield
Cc: Daniel Sabba; Andrew King
Subject: RE: Southern Financial - IA Request [I]

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Stew,

Please see below from the Global Markets team - take a look and let us know if you have questions.

We will send to Rich Kahn shortly.

Thank you,

Vahe

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Following a lot of analysis, we can't do this swap on the basket as it isn't operationally feasible, however, this can be done as a series of single name total returns swaps.

For the client to purchase 1-year swaps with bilateral break rights at any time, we can offer:

- 1mL+150bps (Yellow highlighted names)
- 1mL+140bps (Green highlighted names)

Given the bid/ask and liquidity profile of these names getting into and out of these is going to be a challenge, thus we would suggest that we trade into these at about 15-20% adv until complete, which could take several days.

Preferred Equity Information

Issuer Name

Preferred Equity Symbol

Cusip

BB&T CORPORATION

bbt h pfd

54937875

CAPITAL ONE FINANCIAL CO

cof d pfd

14040H709

CAPITAL ONE FINANCIAL CO

cof f pfd

14040H881

CHARLES SCHWAB CORP

schw c Pfd

808513402

CHARLES SCHWAB CORP

schw d Pfd

808513600

DIGITAL REALTY TRUST INC

Dlr g Pfd

253868889

DTE ENERGY CO

dtj pfd

233331800

EBAY INC

ebayl Pfd

278642202

GENERAL ELECTRIC CO

gek pfd

369622394

JPMORGAN CHASE & CO

JPM f Pfd

48127R461

JPMORGAN CHASE & CO

JPM h Pfd

48127V827

KKR

KRPPP pfd

48248M300

NEXTERA ENERGY CAPITAL

nee j Pfd

65339K886

NEXTERA ENERGY CAPITAL

nee k Pfd

65339K100

PITNEY BOWES

PBI B pfd

724479506

PUBLIC STORAGE

psa b pfd

74460W776

PUBLIC STORAGE

psa c pfd

74460W750

STANLEY BLACK & DECKER INC

SWJ pfd

854502705

STATE STREET CORP

stt e pfd

857477889

STATE STREET CORP

stt d pfd

857477608

US BANCORP

usb m pfd

902973833

VERIZON COMMUNICATIONS

vza pfd

92343V302

WELLS FARGO & COMPANY

wfc v pfd

94988U730

WELLS FARGO & COMPANY

wfc r pfd

949746465

From: Vahe Stepanian
Sent: Tuesday, June 28, 2016 3:19 PM
To: Stewart Oldfield
Cc: Daniel Sabba; Andrew King
Subject: FW: Southern Financial - IA Request [I]

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Stew – quick update on below, still waiting on pricing from our Global Markets colleagues for Southern Financial's pref basket.

See below. The IA requirement is 40% as requested by CRM. Will be back to you once I have pricing – I expect to have shortly.

Best,

Vahe

From: Andrew Xu
Sent: Tuesday, June 28, 2016 1:19 PM
To: Vahe Stepanian; Roddy Moore
Cc: Daniel Sabba; Keith Buckholz
Subject: RE: Southern Financial - IA Request [I]

Classification: For internal use only

Ok thanks. I'm satisfied on our end.

Andrew Xu, CFA

From: Vahe Stepanian
Sent: Tuesday, June 28, 2016 1:17 PM
To: Andrew Xu; Roddy Moore
Cc: Daniel Sabba; Keith Buckholz
Subject: RE: Southern Financial - IA Request [I]

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Andrew – just in the brokerage accts there are > \$100mm in assets.

Thank you,

Vahe

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EPSTEIN

N4G023804

SOUTHERN FINANCIAL LLC 6100 RED HOOK QUARTER B3 ST THOMAS VI 00802

98,610,505.00

EPSTEIN

N4G024943

THE HAZE TRUST UAD 02/09/99 JEFFREY EPSTEIN & DARREN K INDYKE TTEES 6100
RED HOOK QUARTER B3 ST THOMAS VI 00802

41,108,732.17

EPSTEIN

N4G023812

SOUTHERN TRUST COMPANY INC 6100 RED HOOK QUARTER B3 ST THOMAS VI 00802

7,668,026.80

EPSTEIN

N4G024935

JEEPERS INC 6100 RED HOOK QUARTER B3 ST THOMAS VI 00802

7,108,576.30

EPSTEIN

N4G024950

J EPSTEIN VIRGIN ISLANDS FOUNDATION INC 6100 RED HOOK QUARTER B3 ST THOMAS
VI 00802

1,367,641.87

EPSTEIN

N4G024968

JEFFREY EPSTEIN 6100 RED HOOK QTRS STE B-3 ST THOMAS VI 00802-1348

667,218.67

From: Andrew Xu
Sent: Tuesday, June 28, 2016 1:04 PM
To: Vahe Stepanian; Roddy Moore
Cc: Daniel Sabba; Keith Buckholz
Subject: RE: Southern Financial - IA Request [I]

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I'm ok with the 3/31. Do we have a bank / brokerage statement? How much assets they have with us? If they have a lot I don't need an updated one.

Andrew Xu, CFA

From: Vahe Stepanian
Sent: Tuesday, June 28, 2016 11:21 AM
To: Andrew Xu; Roddy Moore
Cc: Daniel Sabba; Keith Buckholz
Subject: RE: Southern Financial - IA Request [I]

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Thanks Andrew. For the caveat - we received updated financials which were sent over to your team as of 3/31/16 (Q1) – will forward under separate cover. Per the agreed ISDA amendment (attached), the client has 10 business days from the end of the relevant calendar quarter to deliver updated financials. Let us know if the caveat still applies?

As of now the client has enough cash in house to meet the IA requirement – we can revisit if he wishes to post other assets.

Best,

Vahe

From: Andrew Xu
Sent: Tuesday, June 28, 2016 11:00 AM
To: Vahe Stepanian; Roddy Moore
Cc: Daniel Sabba; Keith Buckholz
Subject: RE: Southern Financial - IA Request [I]

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Hi Vahe,

We can do 40% IM for this trade. Caveat, we need updated financials and brokerage statements. Additionally we need to discuss what type of collateral they are going to post. If non standard we should talk now, but if standard(cash, munis, treasuries) we have no issues.

Thank you.

Andrew Xu, CFA

From: Vahe Stepanian
Sent: Tuesday, June 28, 2016 8:24 AM
To: Roddy Moore; Andrew Xu
Cc: Daniel Sabba
Subject: RE: Southern Financial - IA Request [I]

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Roddy / Andrew – please let us know.

Best,

Vahe

From: Vahe Stepanian
Sent: Monday, June 27, 2016 11:44 AM
To: Roddy Moore; Andrew Xu
Cc: Daniel Sabba
Subject: Southern Financial - IA Request [I]

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Roddy/Andrew – Southern Financial has indicated that they would like to enter into a TRS on the attached basket of preferreds. The total notional size would be \$20mm and assume 1y tenor.

What would be the required IA for the attached basket?

Thank you,

Vahe

Vahe Stepanian

Key Client Partners

Deutsche Bank Securities Inc.

Tel. [REDACTED]

Mobile +1 347 634 1878

Email [REDACTED]