

Subject: RE: indication on WTI risk reversals [C]  
From: Vahe Stepanian <[REDACTED]>  
Date: Tue, 31 May 2016 11:01:09 -0400  
To: Richard Kahn <[REDACTED]>  
Cc: Daniel Sabba <[REDACTED]>, Stewart Oldfield <[REDACTED]>

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

From: Richard Kahn [mailto: ]

Sent: Tuesday, May 31, 2016 10:17 AM

To: Daniel Sabba; Vahe Stepanian

Subject: Re: indication on WTI risk reversals

can you please refresh attached quote

thank you

Richard Kahn  
HBRK Associates Inc.  
575 Lexington Avenue 4th Floor  
New York, NY 10022  
tel [REDACTED]  
fax [REDACTED]  
cell [REDACTED]

On May 20, 2016, at 11:06 AM, Daniel Sabba <[REDACTED]> wrote:

Please note these are indications – these levels are not tradable. We need Credit Risk sign off, assessment of any potential credit charges and initial amounts before trading. Any credit charges would impact these indications.

Notional: 1mm barrels of WTI

WTI futures references:

CLU6 ref 49.55, option exp 17Aug16

CLZ6 ref 50.00, option exp 16Nov16

CLH7 ref 50.20, 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: 45

Call strike: 50

Put strike: 49.75

option exp 16Nov16

Future reference: CLZ6

Call strike: 55

Put strike: 45.90

Call strike: 50

Put strike: 50.4

option exp 15Feb17

Future reference: CLH7

Call strike: 55

Put strike: 46.50

Call strike: 50

Put strike: 51

Daniel Sabba

Deutsche Bank Securities Inc.

Tel. [REDACTED]

Email [REDACTED]

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