

Financials

Monday, March 24, 2014

Revenue (\$)MM

Desk

KCP U.S.

WIC U.S.

KCP Weekly Business Review

Revenue-Pipeline deals-Transactions closed-Client updates-Trade ideas

2012

29.7

26.1

KCP LATAM 2.1

WIC LATAM 0.0

Total

10.0

20.0

30.0

40.0

50.0

60.0

70.0

80.0

90.0

Jan

Feb

Mar

57.9

2013

23.6

23.4

0.5

2.2

49.7

JAN

5.9

2.8

0.2

0.2

8.8

FEB

3.9

1.4

0.2

0.3

5.9

2014

9.9

4.2

0.4

0.5

15.0

Y/Y (%) v

2013

revenue

152

9

365

35

81

2014

Target

40.0

32.0

6.5

6.5

85.0

Y/Y (%) v

2014

budget

49

(21)

(63)

(63)

6

Pipeline NNA*

13.9

0.5

3.5

0.2

18.1

360

5.5

85.0

Revenue Target

USD (MM)

DB Revenue

USD (MM)

150

0.5

210

CBV**

New Client

Revenues

5.0

21.3

21.3

21.3

21.3

1Q

Apr

2014 Budget: Euro 65 million

Y/Y based on annualized 2014 revenue

Totals may not sum due to rounding (nearest 100k to 1 decimal place)

May

Jun

2Q

Jul

Aug

Sep

3Q

Oct

Nov

Dec

4Q

Total

*Net New Assets – New funds transferred in / out for both AuM and Lending
Volume

**Client Business Volume – AuM plus Lending Volume

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1

Pipeline

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Client

KCP US Pipeline

1 Miles Nadal

2 GH Palmer Associates

3 JHAC

4

5

Olson

Jaws, Forest, Toro

6 Angelo Tsakopoulos

7 Price Family Office

8 EnTrust

9 Wilbur Ross

10 Robert Sillerman

11 Veritas (Y-P Au)

12 Mayweather

13 Inland Real Estate

14 Jaws/JHAC

KCP Weekly Business Review

Revenue-Pipeline deals-Transactions closed-Client updates-Trade ideas

Ticket Size

Trade

MDCA Stock Loan

TRS for real estate developer

Project Troop, financing leisure resort

\$45mm

TBD

\$20mm

TBD

TBD

Expected

Revenue

1,500,000

5,000,000

1,000,000

CMBS; RB Olson Development (Marriott/Hospitality) \$20-30mm 500,000

Spitfire 3.0

\$45mm loan vs \$76mm Water Rights Contract (20yr) \$45mm loan 500,000

VWAP dialogue (PSMT) - Block Trade

Treasuries on repo and long SPY

Puerto Rico 5y TRS

300,000

FX Management (SFXE)

PACE financing & Retrofit origination/opportunity

Aman Hotel Equity (capital raise)

PACE bond program

Tobacco bonds

\$750mm 2,500,000

\$100mm 3,000,000

Ongoing
500,000
TBD
\$50mm
TBD
TBD
1,000,000
1,000,000
TBD
TBD
1,400,000
Delta
18,200,000 55%

95%
75%
75%
70%
75%
50%
50%
50%
50%
25%
20%
20%
TBD
TBD
Estimated
Annual
Revenue
7,500,000
1,000,000
TBD
1,000,000
TBD
1,000,000
TBD
500,000
1,000,000
1,000,000
500,000
500,000
1,000,000
TBD
TBD

KCP US deals closed: Trafigura (a/c receivable) , Athena (VFN renewal),
Gapstow (Pru CLO), Gallagher (Yacht loan), Loeb (Yacht Put)
Product Focus: RIN, SOF III, Maryland Proton Centre, Bastille, Project
Troop, Marinas International
Client
KCP LATAM Pipeline

1
Noble
2 Angelini Family
3 Siemel Company
4 Belford
5
Fundacion
6 ProAltus
7 Bulgheroni Family
8 Stars
9 Signature Capital
Fixed Income portfolio
Structured notes
Bond portfolio with a cross currency overlay
dbSelect linked note
Structured note switch into dbSelect linked note
CROCI filtered notes
Fixed Income portfolio
US Corporate Loans/CLO/Loan Funds
Leveraged Exposure to Structured Notes
10 Tendencia Asset Management Equity Swap
11 Arizona
Financing of CRE portfolio
KCP LATAM deals closed: CDS, ETF, MM Fund, Structured Notes, GLD Bullion
Product Focus: SOF III, WAM CLO, Credit axes, THL CLO
Client
WIC US Pipeline
1
2 Various
3 MS Employee
4 Pearl operations (Golub)
5 New client
6 Various
7 Ferrell Capital
8 New client
9
Corporate
10 New client
WIC US deals closed:
Product Focus:
2
For internal use only
Corporate Executive
15k Shares
SOF III Feeder Fund
Stock hedging & monetization
Equity Block Trade (NADL)
Fx Long/Short (USDJPY, USDMXN)
SOF III Feeder Fund
SOF III Feeder Fund
Cash & bonds, structured notes

Single stock hedging & monetization
Estate liquidation, corp, muni, preferreds'
Trade
Ticket Size
\$15k
\$4mm
\$50mm
\$0.2mm
\$10mm
\$2-3mm
\$5mm
\$18-20mm
\$6mm
200,000
100,000
10%
95%
50%
TBD
\$34mm
██████ Convey
German Banking Team
PB
New York
New York
95%
\$20mm
Russell Daulton
PB
Expected
Revenue
Delta
Estimated
Annual
Revenue
NNA
Relationship Manager
Carlos Arrizurieta
Channel
PB
Office
Miami
WIC
Joseph Cothron
██████ Harrington
San Francisco ████████ Harrington
Chris Quartararo
Vahe Stepanian
Joseph Cothron
Joshua Shoshan
Chris Quartararo

Chris Quartararo
Chris Quartararo
Trade
Ticket Size
\$10mm
\$10mm
Expected
Revenue
3,480,000
75,000
30,000
\$30/50mm 300,000
\$5mm
\$5mm
100,000
100,000
\$10/15mm 200,000
\$100mm 200,000
\$30/50mm 300,000
\$10/20mm 100,000
\$20mm
\$75mm
75,000
2,000,000
Delta
34%
95%
90%
50%
30%
30%
30%
20%
20%
20%
10%
10%
Estimated
Annual
Revenue
2,450,000
250,000
250,000
TBD
500,000
500,000
100,000
TBD
100,000
TBD
250,000

500,000
NNA
Relationship Manager
Antonio Braun
Patricio Leon
Patricio Leon
Cristian Gonzalez
Cristian Gonzalez
Mercedes Sampedro
Jan Eddicks
Patricio Leon
Antonio Braun
Joseph Jacinto
Ana Sosa
Channel
Office
PWM Miami
PWM Miami
PWM Miami
PWM Miami
PWM Miami
PWM NY
PWM Hamburg
PWM Miami
PWM Miami
PWM NY
PWM Geneva
KCP
Zagury/Chaves
NNA
Miles Nadal
Cheryl Paller
Bill Furber
Elisabeth Schreiber
Various
Ed Lok
Carolin Botzenhard
Patricia Bennett
Robert Leidy
Terri Sohrab
Ed Lok

Various
Tim Riley
Various
Relationship Manager
Channel
PCS
PB
PCS
PCS
PCS
PB
PB
PB
PCS
PB
PB
Office
New York
KCP
Thomas ORorke
Los Angeles Tazia Smith
Boston
Los Angeles Tazia Smith
NY, MIA
David Mann
David Mann
San Francisco Tazia Smith
Los Angeles David Mann
Los Angeles David Mann
Palm Beach David Mann
New York
PB/PCS Various
PCS
PCS
New York
Various
Tazia Smith
San Francisco Tazia Smith
Bruce McDermott
David Mann
David Mann

Transactions

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Revenue-Pipeline deals-Transactions closed-Client updates-Trade ideas

Client

KCP US Transactions closed

1

2

4

5

6

Charles Gallagher

Dan Loeb

Ansbacher Bahamas

Ultimate

Beneficial Owner

Gapstow Capital Partners Chris J Acito

JVB Properties

Prudential CLO

Jack Thompson Turbo Call Spread

Charles Gallagher Yacht Loan ("Project Gametime")

Yacht Put

Caribbean CLN

KCP US deals closed: Trafigura, Athena, Gapstow, Loeb, Gallagher

Product Focus: RIN, SOF III, Maryland Proton Therapy, Spitfire 3.0

Client

KCP LATAM Transactions closed

1

2

3

4

5

6

7

Arizona

Drake

Stars

Angeline Family

Fundacion

Pragma

Noble

Ultimate

Beneficial

Owner

Trade

Credit Default Swap on Chilean Bank

ETF

Money market fund

Structured Note

Structured Notes with Fundacion

Gold ETF sale and switch into Gold Bullion

Fixed income portfolio turnaround

KCP LATAM deals closed: CDS, ETF, MM Fund, Structured Notes, GLD Bullion

Product Focus: SOF III, RDIF, WAM CLO, Credit axes

Client

WIC US Transactions closed

1

2

3

Norman Tulchin

Norman Tulchin

Chaim Katzman

4

5

WIC US deals closed:

Product Focus: SOF III

Client

WIC LATAM Transactions closed

1

2

3

4

5

WIC LATAM deals closed:

Product Focus:

3

For internal use only

Ultimate

Beneficial Owner

Trade

Ticket Size

Expected

Revenue

Delta

Estimated

Annual

Revenue

NNA

Relationship

Manager

Channel

Office

WIC

Investor Type

Ultimate

Beneficial Owner

Trade

FX Option USD/JPY

FX Option USD/MXN

Restricted stock sale

Ticket Size

\$3.4mm

\$3.6mm
Expected
Revenue
12,000
12,000
10,000
Delta
100
100
100
Estimated
Annual
Revenue
50,000
50,000
NNA
Relationship
Manager
Ticket Size
\$5mm
\$50mm
\$120mm
\$5mm
\$2mm
\$20mm
\$10mm
Expected
Revenue
0.2mm
50,000
18,000
TBD
10,000
20,000
TBD
80,000
Delta
Estimated
Annual
Revenue
NNA
Relationship
Manager
Channel
Office
KCP
Investor Type
Trade
Ticket Size
Expected
Revenue

11.6mm
\$30mm
Delta
Estimated
Annual
Revenue
11.1mm
1,200,000 95% 500,000
\$0.4mm 100,000 100% 100,000
\$60mm
\$3mm
\$10mm
5,000,000 95% 5,000,000
5,000,000 95% 5,000,000
300,000 100% 500,000
Mark Gonzales
Edward Maier
Mike McCarthy
PB
PB
Rosemary Vrablic PB
New York
PCS Chicago
Chicago
New York
Andrew Mandala PCS Miami
Thomas ORorke Fund of Funds / HF
Private Investment Co
David Mann
Thomas ORorke Mega-Yacht Loan / Trust
David Mann
David Mann
NNA
Relationship
Manager
Channel
Office
KCP
Investor Type
Channel
12,000 Susan Burnett PB
12,000 Susan Burnett PB
10,000 Carlos Arrizurieta PB
Office
WIC
Los Angeles
Los Angeles
Miami
Joseph Cothron
Joseph Cothron
Joseph Cothron

Investor Type

Private Markets & Alts

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Product:

Private Markets:

ARA

Infrastructure

Rated Infrastructure Notes (RIN)

Live

Jorge Rodriguez

Jonathan Newman

CB&S

Maryland Proton Therapy

Live

Exotic Muni Trading

Michael Kuras

Bastille

Pipeline

CB&S

ECM

Jeff Mortara

TBD

Post NDA Package

TBD

Presentation

PPM

1. QIBs only

2. Offshore Reg S

3. ECM to send all docs

Upon request

\$25mm target raise

ECC

3/31 close

Teaser

NDA

Watermarked PPM

Teaser

TBD

TBD

\$96.2mm

CB&S

1.

Call March 25th

QIB Only

US Only

PMs are available

for meetings

\$75mm target raise

AWM

KCP

Live or Pipeline:

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Sponsor:

Contacts:

Revenue-Pipeline deals-Transactions closed-Client updates-Trade ideas

Process & Steps:

Dates:

Materials:

READY TO SEND

DO NOT SEND

1. Pre-approve clients
2. Communicate infrastructure offering and investment thesis
3. Articulate CLO Equity warehouse structure
4. Offer calls/meetings with PMs
5. Follow up and document feedback

Management

Meetings:

Target Raise:

Fees/Revs:

NPA & DD:

Marketing Plan:

1. Please ask all PCS and/or PB CFP's if they have any UHNW (\$100mm +) families that would be interested at the \$50 mm level or above.

Upon request

ECM

Marinas

Pipeline

Chad Cooper

TBD

Presentation

1. QIBs only
2. Offshore Reg S
3. ECM to send all docs

Perhaps first

week of April for

large accounts

\$300mm target raise

\$50-100mm from KCP

3% net fee = \$1.5-3mm

TBD

2. Any other accounts that would be potentially interested in a minority stake at \$2 mm or more that are FINRA 2111 eligible. We are considering a Reg. D slot for these accounts (144a = QIB) Our next step is to provide management to large accounts for 1:1 meetings to explore interest more deeply. The smaller accounts may participate in a group call. The calls/meetings may occur in the first week or April.

CB&S

Base Metal & Mining Loans

EcoMotors
Alternatives:
AFS
Private Markets
SOF III
Live
Carlos Munoz-Lucas
Billy Obregon
Wes Sturdevant
RREEF
RDIF
LiquidAlts Omega Seed Capital
RetroFit
Live
Remy Marino
AFS
Pipeline
Carlo-Edoardo Carlon
ARA
Pipeline
Todd Henderson
Globl Markets
Hyperion Homes
Pipeline
GCT Structuring London
██████ Liechty
TBD
Non-DB teaser from
management
TBD
TBD
MN scheduled meeting with WIS LDN
TBD
TBD
TBD
3/31 close
4/30 first
document
deadline
Sub doc package
1. Pre-approval for Adam Graev for
Teaser
3. AIS request
4. Send customized Sub Doc package
once AIS is approved
PPM
Presentation
Teaser
TBD
TBD
1 . Pre-approval for Todd Henderson or

Teaser
2. Send to agreed KCP list
Available
TBD
TBD
No traction
\$25mm
5-6 weeks
WM
AFS/GCG Policies
TBD
Waiting on Compliance for final KPRC approval
KCP target list (BMcD, MN)
Available to QIBs
\$4.5mm of interest
\$20-25mm target
75bps mgmt fee
WM
Create prospect client list
Track feedback and interest
Closing, Total = \$22.2m (Firm = \$10m + Soft = \$12.2)
Pipeline
Pipeline
Commodity Unwind
Chris Zhou
TBD
TBD
TBD
TBD
TBD
TBD
n/a
TBD
3-4 loans
1st loan: \$75mm
2nd loan: \$25-75mm
TBD
TBD
TBD
Demand assessment
TBD
4
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Private Markets & Alts
Monday, March 24, 2014
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Revenue-Pipeline deals-Transactions closed-Client updates-Trade ideas
Product:
Lodging & Real Estate:
Virgin Miami
Live or
Pipeline:
Sponsor:
Contacts:
Dates:
Materials: Process & Steps:
Management
Meetings:
Pipeline
CB&S
REIB
Chad Cooper
AFS/ARA
Citroen - Lyon, France
Pipeline
Ronen Ribek
AFS
Project Aman
Pipeline
Bernard Abdo
Branded Hotel
Development
Real Estate in Mexico and
Caribbean
Bacalar Beach, Ambergris
Caye Belize
Pipeline
Pipeline
KCP
Pipeline
David Mann
Pierre Economacos
AFS
Las Olas Tower
Pipeline
Paul A. Milotis
Ronen Ribak
AFS
Parker Place
Pipeline
Paul A. Milotis
Ronen Ribak
Closed Deals:
Fortress WWT&I Top Up

Live
KCP
Bruce McDermott
3/31 close
PPM
Consent Letter
Call with
management
previously
held
\$20-50mm target raise
125bps net = 300-600mm
\$45mm, gross 2%
50% close
50% May
ECC
1. Contact RMs whose clients
participated in first round
2. Gauge interest from existing
investors
3. Remaining top-off goes to other
Fortress clients
4.
DB investors
TBD
Teaser
Internal teaser for purposes of
demand assessment
TBD
\$20-25mm
Demand assessment
TBD
Teaser
Internal teaser for purposes of
demand assessment
TBD
\$25-30mm
Demand assessment
TBD
DD Items
TBD
30-Apr
Deck
Data Room
1. Evaluate capital structure or
possible refinance or equity raise
2. Equity intros only
Upon
introduction
and signed
cert doc

\$50mm
3%
n/a
intro
Introduction only
TBD
Teaser
ARA/AFS JV
Target Raise:
Fees/Revs:
NPA & DD:
Marketing Plan:
TBD
TBD
REIB
CFP
Show to two LatAm Clients
TBD
If piece remains, can show to new
5
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Clients

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Client

Ultimate Beneficial

Owner

TIER 1: Clients Currently Being Onboarded

1 Butterfly Trust

2 Gapstow

3 Parkwood Capital

4 EnTrust Palmetto LLC

5 MDCA

6 Tisch Family (TFMG)

7 Omid

8 Black

9 Porticoes LLC

10 TOMS Capital

11 Dan Loeb

TIER 2: Clients Approved for Adoption

1 Thirdlake

2 Freestyle Capital

3 Terrapin Partners

4 JVB Properties

5 Sage Capital

6 Heritage Provider Network

Jeffrey Epstein

Fund of Funds

Mandel Family

EnTrust Capital

Miles Nadal

Laurence Tisch

Julian Omid

Leon Black

Les Lieberman

Noam Gottesman

Daniel Loeb

Wanek Family

Michael Stone

Nathan Leight

Jack Thompson

Raz Steinmetz

Richard Merkin

TIER 3: Clients Who Have Requested Coverage

1 National Commerce Bank

2 Barry Kitt (CIO TOMs Capital)

3 Meredith Corp

4

The Roosevelt Investment

Company

5 Geffen

6 Spielberg
7 Katzenberg
8 Lucas
Clients not approved
1 Voltaire Capital
2 RJET (Republic Airway Holdings)
Publicly held
Barry Kitt
Meredith Family
Institutional MM
David Geffen
Steven Soielberg
Jeffrey Katzenberg
George Lucas
New Worth / AUM
16,100,000,000
1,000,000,000
1,000,000,000
1,000,000,000
1,000,000,000
1,500,000,000
350,000,000
5,000,000,000
125,000,000
4,000,000,000
125,000,000
2,000,000,000
1,500,000,000
7,123,000,000
1,500,000,000
1,000,000,000
58,000,000
65,000,000
500,000,000
4,000,000,000
0
Estimated Annual
Revenue
5,850,000
500,000
500,000
500,000
100,000
1,000,000
500,000
1,000,000
500,000
250,000
1,000,000
5,000,000
2,050,000
500,000

100,000
100,000
100,000
250,000
1,000,000
250,000
250,000
less than 250k
N/A
N/A
N/A
N/A
Relationship Manager Channel Office
KCP
Investor Type
Industry
Paul Morris
Mark Gonzales
Patricia Bennett
Patricia Bennett
Miles Nadal
Paul Morris
Matthew Ayers
Paul Morris
Charles Rudnick
Paul Morris/Brad
LaConte
Rosemary Vrablic
Paul Morris
Jarret Brady
Edward Maier
Edward Maier
Michael David
Cheryll Paller
Andrew Mandala
Brad LaConte
Jeff Neal
Todd Kurowski
Cheryll Paller
Cheryll Paller
Cheryll Paller
Cheryll Paller
PB
PB
PB
PB
PCS
PB
PCS
PB
PCS

PB
PB
PB
PCS
PCS
PCS
PCS
PB
PCS
PCS
PCS
PCS
PB
PB
PB
PB
New York
New York
Tazia Smith
Los Angeles David Mann
Los Angeles David Mann
New York
New York
New York
New York
New York
New York
Self-directed capital markets flow
Thomas Ororke Fund of Funds / HF
Family Office
Fund of Funds
Thomas Ororke Equity Margin Loan / Individual Media & Telecom
Tazia Smith
Los Angeles Tazia Smith
Tazia Smith
New
York/Miami
David Mann
Tazia Smith
David Mann
Tazia Smith
San Francisco Tazia Smith
Chicago
Chicago
New York
David Mann
David Mann
David Mann
Los Angeles Tazia Smith
Miami
Miami

Chicago
Baltimore
David Mann
Tazia Smith
David Mann
Los Angeles Tazia Smith
Los Angeles Tazia Smith
Los Angeles Tazia Smith
Los Angeles Tazia Smith
Family Office
Family Office
Individual
Private Investment LLC
Family Office
Individual
Family Office
PE/ Hedge Fund
Individual / PE Firm Owner
Private Investment Co
Family Office
Family Office
Publicly Held Bank
Individual
Family Office
Thomas Ororke Institutional Long Only MM
Family Office
Family Office
Family Office
Family Office
Industrials, Real Estate,
Technology
Financial Services, Industrials
Technology
Healthcare
Financial Services, Real Estate
Financial Services
Healthcare, Real Estate
Financial Services, Real Estate
Krishan Rattan
Noam Gottsman
500,000
100,000
Mark Gonzalez
Frank Winford
PB
PCS
New York
Houston
Thomas ORorke
Thomas ORorke
Investment Manager

Corporate Holding Co
6
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Trade Ideas

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Trade Idea: Implementation / Themes

Date

24th February

28th February

Japan

Puerto Rico

Sector

Government

Government

Trade

Long DXJ

Buy s/t debt

Upcoming bond sale will fuel
a rally in PR securities

28th February

Macy's

Consumer

Aug call spread

Outlook for strong margin
performance, good free cash
flow

3rd March

USDJPY

Fx

Buy USDJPY call options

14th March

Delphi Automotive

Auto

Buy Jan 17 2015 calls at \$10.30

Sell Jan 17 2015 calls at \$2.80

Sell Jan 17 2015 calls at \$2.80

Net debit is \$3.40

Profit potential: \$11.60

Sell May 2014 65 put at \$2.40

Net credit is \$2.40

Profit potential, credit received

Buy Aug 2014 125 call for \$5.80

Sell Aug 2014 140 call for \$1.53

Sell Aug 2014 115 put for \$4.75

20th March

The Boeing Company

Aviation/Defense

Sell May 2014 120 put for \$3.80

Net credit is \$3.80

Profit potential, credit received

Flight to quality from turmoil
in Ukraine strengthened Yen

Cheaper entry point

Rationale

Risk

Investment Area

Capital Markets

Capital Markets

Capital Markets

Capital Markets

DB analyst Buy rating, "top pick", DLPH benefitting from themes on fuel economy, connectivity and safety

Capital Markets

DB analyst Buy rating, on long-term growth potential and broader profitability within the global airline market

Naked sold puts in each trade could result in substantial losses

Capital Markets

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