

Subject: Re: Southern Financial Commodity Vol Trade [C]
From: Vinit Sahni <[REDACTED]>
Date: Tue, 13 Jan 2015 15:09:46 -0500
To: Dario Schiraldi [REDACTED]
Caroline Kitidis [REDACTED]
Chip Packard [REDACTED]
Cc: Michele Faissola [REDACTED]

Classification: Confidential

Thanks caroline. Very happy to see the trade with Southern Financial and PSQ. Daniel has some very good ideas and great attitude. Post launch call hoping he gets some solid momentum.

From: Dario Schiraldi
Sent: Tuesday, January 13, 2015 08:58 PM W. Europe Standard Time
To: Caroline Kitidis; Chip Packard; Vinit Sahni
Cc: Michele Faissola
Subject: Re: Southern Financial Commodity Vol Trade [C]

Classification: Confidential

Nice work!

Dario Schiraldi
Managing Director
Deutsche Asset & Wealth Management
Direct [REDACTED]
Mobile: [REDACTED]

From: Caroline Kitidis
Sent: Tuesday, January 13, 2015 08:53 PM
To: Dario Schiraldi; Chip Packard; Vinit Sahni
Cc: Michele Faissola
Subject: RE: Southern Financial Commodity Vol Trade [C]

Classification: Confidential

See below, transaction we did w CB&S today - KCP cap markets client (Southern Financial, PB relationship). Was the first trade done in North America on the Commodity Short vol index. All other transactions done by CB&S thus far have been w clients in Europe. In addition client did a credit trade in combination. We've been working with this client all year, he's done very limited business. We've been tracking all of the ideas we've pitched him thus far since October (you can see performance below) 4 with negative performance 11 with positive performance. He has been pleased with this, and started executing today, these ideas for the first time.

We have our KCP capital markets launch call this week on Thursday where we will roll out KCP cap markets formally w Daniel Sabba and will also discuss ideas/performance. We also recently executed with PSQ (PB relationship), first transaction in Cap markets - Topix Swap, we were pleased with as we have been showing ideas and trying to make progress with this client as well, and again it's the first time they've traded with the Cap markets team. Good momentum starting w Daniel and team.

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Kind regards,

Caroline Kitidis

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Caroline V. Kitidis
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From: Daniel Sabba
Sent: Tuesday, January 13, 2015 2:15 PM
To: Caroline Kitidis; Mathew Negus
Subject: Southern Financial Commodity Vol Trade [C]

Classification: Confidential

EFTA01479039

See below - apparently this was the first commodity vol index trade in North America CB&S. The other trades were with European clients. A nice bullet point for future presentations on KCP.

----- Forwarded by Daniel Sabba/db/dbcom on 01/13/2015 02:12 PM -----

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Cc:

[REDACTED]

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Date:

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01/13/2015 02:04 PM

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Subject:

{cid:image006.png@01D02F40.9BC97CF0}
S0FL - WTI vol index trade recap [C]

Classification: Confidential

Hi Daniel, thank you for your efforts in getting this trade done. This is the first commodity vol index trade in North America.

Trade recap:

OTC index swap

Buyer: SOFL

Seller: DBAG London

Underlying: DB Commodity WTI Short Volatility II Index

Bloomberg Ticker: DBCMWSV2 Index

Trade Date: 13 Jan 2015

Effective Date: 13 Jan 2015

Expiry Date: 13 Jan 2016

Resets at end of each calendar quarter. For clarity reset dates are: 31-Mar-15, 30-Jun-15, 30-Sep-15, 31-Dec-15, 13-Jan-16

Settlements: T+2

Notional: \$10,000,000

IA: \$500,000 paid by SOFL to DBAG London on 14-Jan-2015.

Upto 1.5% fees charged on exit under normal circumstances, irrespective of whether the exit is on scheduled Expiry Date or earlier.

Strike: Underlying closing level on Effective Date

Cash flows:

On each reset date:

Buyer receives: $\text{Notional} / \text{Strike} * (\text{Index closing level on reset date} - \text{Index closing level on previous reset date})$

For the first reset date, $\text{Index closing level on previous reset date} = \text{Strike}$

Termsheet with additional details is attached. Official confirm will follow.

Thanks,

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Jatin Bindal

Vice President | Commodity Structuring

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(See attached file: DBCMWSV2 index swap TS.pdf)

