

# Deutsche Bank AG, London Branch



18 March, 2014

## Commodity Option Transaction

Our ref: 767318425 (390962915)

Reporting jurisdiction(s): ESMA

ESMA Generating Party: PRIVATE CLIENT SERVICES PWM ALEX BROWN AC SOUTHERN FINANCIAL LLC

PRIVATE CLIENT SERVICES PWM ALEX BROWN AC SOUTHERN FINANCIAL LLC



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The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between us Deutsche Bank AG, London Branch ("Party A") and PRIVATE CLIENT SERVICES PWM ALEX BROWN AC SOUTHERN FINANCIAL LLC ("Party B") on the Trade Date specified below (the "Transaction").

The definitions and provisions contained in the 2005 ISDA Commodity Definitions (the "Commodity Definitions") and the 2000 ISDA Definitions (the "ISDA Definitions") (as published in each case by the International Swaps and Derivatives Association, Inc.) are incorporated into this Confirmation. In the event of any inconsistency between the Commodity Definitions or the ISDA Definitions and this Confirmation, this Confirmation will govern.

This Confirmation constitutes a 'Confirmation' as referred to in, and supplements, forms a part of and is subject to, the ISDA Master Agreement dated as of 28 October 2013 as amended and supplemented from time to time (the 'Agreement'), between you and Deutsche Bank AG. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

The terms of the Transaction to which this Confirmation relates are as follows:

## 1. General Terms

|                                   |  |
|-----------------------------------|--|
| Trade Date:                       | 13 March 2014                            |
| Effective Date:                   | 13 March 2014                            |
| Notional Amount:                  | 100,000.00 barrels                       |
| Termination Date:                 | 15 May 2014                              |
| Settlement Date:                  | 19 May 2014                              |
| Option Type:                      | Call & Put                               |
| Commodity                         | Oil-WTI                                  |
| Commodity Reference Price:        | WTI Crude Oil June 2014 futures contract |
| Commodity Reference Price Source: | Bloomberg Ticker: "CLM4 <comdty>"        |
| Call Strike:                      | USD 101.00 per barrel                    |
| Put Strike:                       | USD 93.50 per barrel                     |
| Settlement Currency:              | USD                                      |

## 2. Settlement Amount

Party A Payment Amount: If the Commodity does not settle below USD 20.00 per bbl on any day from and including the Effective Date to and including the Termination Date then:

Notional Amount \* max (0, Specified Price– Call Strike);

Else zero

Party A Payment Amount: If the Commodity does not settle below USD 20.00 per bbl on any day from and including the Effective Date to and including the Termination Date then:

Notional Amount \* max (0, Put Strike – Specified Price);

Else zero

Specified Price: Official Closing Level of the Commodity in USD per bbl.

Business Days: NYMEX

Initial Margin: USD 1,215,500.00 to be paid by Party B to Party A on 14 March 2014

#### 4. Other Terms:

Calculation Agent: Party A

The Calculation Agent shall have no responsibility for good faith errors or omissions in respect of any calculations or determinations contemplated herein, and its calculations and determinations shall, in the absence of manifest error, be final, conclusive and binding on Party A and Party B provided that Party A has acted in good faith and in a commercially reasonable manner

#### 5. Representations:

Each party represents to the other party on the date on which it enters into this Transaction that (absent a written agreement between the parties in respect of this Transaction that expressly imposes affirmative obligations to the contrary):

- (i) **Non-Reliance.** It is acting for its own account, and it has made its own independent decisions to enter into this Transaction and as to whether this Transaction is appropriate or proper for it based upon its own judgement and upon advice from such tax, accounting, regulatory, legal and financial advisers as it has deemed necessary, and not upon any view expressed by the other. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into this Transaction; it being understood that information and explanations related to the terms and conditions of this Transaction shall not be considered investment advice or a recommendation to enter into this Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of this Transaction.
- (ii) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of this Transaction. It is also capable of assuming, and assumes, the risks of this Transaction.
- (iii) **Status of Parties.** The other party is not acting as a fiduciary for, or an adviser to it in respect of this Transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing a copy of this Confirmation enclosed for that purpose and returning it to us or by sending us a letter or telex substantially similar to this letter, which letter or telex sets forth the material terms of the Transaction to which this Confirmation relates and indicates agreement to those terms.

Please check this confirmation carefully and immediately upon receipt so that errors and discrepancies can be promptly identified and rectified.

We are pleased to have executed this transaction with you.

Yours faithfully, for and on behalf of  
Deutsche Bank AG, London Branch

Signed



Name: David Rogers  
Authorised Signatory  
Dept: Commodities Documentation

Signed



Name: Terry Evans  
Authorised Signatory  
Dept: Commodities Documentation

Confirmed as of the date first above written:

PRIVATE CLIENT SERVICES PWM ALEX BROWN AC SOUTHERN FINANCIAL LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title: