

**From:** Vahe Stepanian <[REDACTED]>

**To:** Jeffrey Epstein <jeevacation@gmail.com>

**CC:** Daniel Sabba <[REDACTED]>, Richard Kahn <[REDACTED]>, Paul Morris <[REDACTED]>, Ariane Dwyer <[REDACTED]>

**Subject:** Trade Recap - 4/2/2015 - DB Commodity WTI Short Volatility II Index [C]

**Date:** Thu, 02 Apr 2015 19:00:22 +0000

**Attachments:** Executed\_Crude\_Confirm\_1.26.15.pdf

---

Classification: **Confidential**

Jeffrey – today we unwound your DB Commodity WTI Short Volatility II Index position per your instructions.

**Trade recap:**

SOFL unwinds the REFERENCE trade noted below at the close today.

Unwind Date: 2 Apr 2015

Final payment will be computed as:

DB pays:  $\text{Notional} / \text{Strike} * [\text{Index closing level on Unwind Date} - \text{Index closing level on Last Reset Date}] * \text{Discount Factor} - \text{Bid/Offer Cost}$

If this number is negative, then SOFL will pay the absolute value of this number.

Notional: \$10,000,000

Strike: 255.8709

Last Reset Date: 31 Mar 2015

Index closing level on Last Reset Date: 243.5748

Discount Factor: Discount factor between Unwind Date and next scheduled reset date (6/30/15), per LIBOR flat curve

Bid/Offer Cost: Latest Reset Notional \* 1.31% (\$124,704.68)

Index level is known only late in the evening. Tomorrow is a commodities holiday, so payment will be computed on Mon morning.

Settlement Date: 7-Apr-15.

I've attached the original trade confirm for your reference.

Thank you,  
Vahe

---

**From:** Daniel Sabba

**Sent:** Tuesday, January 13, 2015 3:13 PM

**To:** jeevacation@gmail.com

**Cc:** [REDACTED]; Paul Morris; Vahe Stepanian

**Subject:** Trade Recap - 01/13/2015 - DB Commodity WTI Short Volatility II Index [C]

Classification: Confidential

Jeffrey, per our phone conversation, Southern Financial LLC entered into the following commodity swap with Deutsche Bank AG, acting through its London branch. Southern Financial went long DB Commodity WTI Short Volatility II Index. Initial strike to be set at close today. The Initial Margin on this trade is 5% of Notional. Official termsheet and confirm to follow.

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 on 14-Jan-2015.  
Up to 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,  $\text{Index closing level on previous reset date} = \text{Strike}$

Thank you for the trade,  
Daniel

Daniel Sabba  
Key Client Partners  
Deutsche Bank Securities Inc.  
Tel. + [REDACTED]  
Mobile [REDACTED]  
Email [REDACTED]

---

This communication may contain confidential and/or privileged information. If you are not the intended recipient (or have received this communication in error) please notify the sender immediately and destroy this communication. Any unauthorized copying, disclosure or distribution of the material in this communication is strictly forbidden.

Deutsche Bank does not render legal or tax advice, and the information contained in this communication should not be regarded as such.