

From: Richard Kahn <[REDACTED]>

To: "jeffrey E." <jeevacation@gmail.com>

Subject: Fwd: Indicative Brazil CDS Unwind Level [C]

Date: Thu, 14 Jan 2016 18:05:11 +0000

Inline-Images: ATT00001.gif

position showed 1,339,493 last night which they claim is mid bid
bid below appears terrible
please advise
thank you

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

Begin forwarded message:

From: Vahe Stepanian <[REDACTED]>

Subject: Indicative Brazil CDS Unwind Level [C]

Date: January 14, 2016 at 12:50:22 PM EST

To: "jeffrey E." <jeevacation@gmail.com>

Cc: Daniel Sabba <[REDACTED]>, Ariane Dwyer <[REDACTED]>, Paul Morris
<[REDACTED]>, Stewart Oldfield <[REDACTED]>, Richard Kahn
<[REDACTED]>

Classification: **Confidential**

Jeffrey – per Rich’s request, please find an indicative level below to unwind your Brazil CDS protection.
We will follow up with separate emails for (1) GE Bond and (2) JPYKRW.

DB’s bid for your Brazil CDS protection is 445bps p.a. This equals an unwind fee payment by DB of \$1,256,044. Recall you
paid 491,941 to enter the trade.

Original unofficial trade details:

BraSov default swap with SOUTHERN FINANCIAL LLC DB Sells default protection on FEDERATIVE
REPUBLIC OF BRAZIL

NOTIONAL	: USD 10,000,000
TRADE DATE	: 13-Jan-2015
IM%	: 1
EFFECTIVE	: 14-Jan-2015
TERMINATION	: 20-Mar-2020
REF OB	: BRAZIL 12.25% OF 03/30 ISIN: US105756AL40
CREDIT EVENTS	: Failure to Pay, R, Repudiation/Moratorium
ISDA Definition	: 2014
PRICE	: 205 bps per annum (COUPON: 100 bps per annum)
UPFRONT FEE	: DB Receive USD 491,941

STANDARD TRADE : Yes
 HARDWIRING : Yes
 CLEARING HOUSE : No

Trade details:

Deal Information				Spreads																							
Reference:	FEDERATIVE REPUBLIC OF BRAZIL			Curve date:	13-Jan-2015																						
Counterparty:	SOUTHERN FINANCIAL LLC			Benchmark:	USD																						
Business days:	LDN, NYC			<input checked="" type="checkbox"/> Use flat curve																							
Business days adj:	Following	Buy/Sell:	Sell																								
Notional:	USD 10mm																										
Effective date:	14-Jan-2015																										
Maturity date:	20-Mar-2020	Day count:	A/360																								
Payment freq:	Quarterly																										
Pay accrued:	True																										
Curve recovery:	True																										
Recovery rate:	0.25																										
Deal rate:	100																										
Calculator																											
Valuation date:	13-Jan-2015																										
Cash settled on:	16-Jan-2015																										
Price:	95.01670000	Repl sprd:	205																								
Principal:	498,330.00	Sprd DV01:	-4,576.8268824283	Frequency:	Q																						
Accrued:	-6,389.00	Days:	23	Day count:	A/360																						
Market Val:	491,941	IR DV01:	-129.8125752157	Recovery rate:	0.4																						
				<table border="1"> <thead> <tr> <th>Date</th> <th>Spread (bps)</th> </tr> </thead> <tbody> <tr><td>20-Sep-2015</td><td>205.00</td></tr> <tr><td>20-Mar-2016</td><td>205.00</td></tr> <tr><td>20-Mar-2017</td><td>205.00</td></tr> <tr><td>20-Mar-2018</td><td>205.00</td></tr> <tr><td>20-Mar-2019</td><td>205.00</td></tr> <tr><td>20-Mar-2020</td><td>205.00</td></tr> <tr><td>20-Mar-2022</td><td>205.00</td></tr> <tr><td>20-Mar-2025</td><td>205.00</td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </tbody> </table>		Date	Spread (bps)	20-Sep-2015	205.00	20-Mar-2016	205.00	20-Mar-2017	205.00	20-Mar-2018	205.00	20-Mar-2019	205.00	20-Mar-2020	205.00	20-Mar-2022	205.00	20-Mar-2025	205.00				
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20-Mar-2025	205.00																										

Thank you,
 Vahe

Vahe Stepanian
 Assistant Vice President | Key Client Partners
 Deutsche Bank Securities Inc.
 Tel. + [REDACTED]
 Mobile [REDACTED]
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