

**From:** "jeffrey E." <jeevacation@gmail.com>

**To:** Richard Kahn <[REDACTED]>

**Subject:** Re: Indicative Brazil CDS Unwind Level [C]

**Date:** Thu, 14 Jan 2016 18:11:34 +0000

**Inline-Images:** ATT00001.gif

---

offer it at 1.3 m

On Thu, Jan 14, 2016 at 1:05 PM, Richard Kahn <[REDACTED]> wrote:

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]  
cel [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

EFTA01138376

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	<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				
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																										
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			Frequency:	Q																						
Cash settled on:	16-Jan-2015			Day count:	A/360																						
Price:	95.01670000	Repl sprd:	205	Recovery rate:	0.4																						
Principal:	498,330.00	Sprd DV01:	-4,576.8268824283																								
Accrued:	-6,389.00	Days:	23																								
Market Val:	491,941	IR DV01:	-129.8125752157																								

Thank you,

Vahe

Vahe Stepanian

Assistant Vice President | Key Client Partners  
 Deutsche Bank Securities Inc.

Tel. [REDACTED]

Mobile [REDACTED]

Email [REDACTED]

All trade execution information contained herein is being provided as an accommodation at your request in advance of your receipt of the official trade confirmation(s). Additional trade detail information available upon request. The terms of the trade(s) may be subject to change prior to settlement, and therefore the official trade confirmation(s) and account statements issued by Deutsche Bank shall govern. Deutsche Bank is not responsible for any discrepancy between the informal execution report and the official trade confirmation(s) or account statements.

---

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.

--

please note

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of JEE

Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to [jeevacation@gmail.com](mailto:jeevacation@gmail.com), and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved