01

From: John Macnamara

Sent: Dienstag, 30. Oktober 2018 17:03

To: Thomas-A Stahl

Subject: RE: Read please: POG BV invitation letter

My view is I think sufficiently clear. I do no business with BTG-related entities (especially not in Nigeria).

Cheers
Mac

02

From: Thomas-A Stahl

Sent: 30 October 2018 16:04

To: John Macnamara [redacted]

Subject: RE: Read please: POG BV invitation letter [I]

Hmmm … minority owned ….

Thomas

03

From: John Macnamara

Sent: 30. Oktober 2018 um 17:10:28 MEZ

To: Thomas-A Stahl

Subject: RE: Read please: POG BV invitation letter

That's the law in Nigeria – the foreigners can't buy more than 60% but usually they will have control one way or another.

I have direct experience of working with BTG Pactual in Brazil and it wasn't good. If there's one thing experience has taught me, it's that crooks don't improve miraculously as they get older. They may achieve a veneer of respectability but when the chips are down, the underlying crook will spring back out.

There will also be a reason why they keep knocking on our door after we decline this how many times now? CACIB will struggle to get this away. I don't say they won't, but there are a lot of the cognoscenti out there who know who Mr Esteves is and what the culture of his empire is.

Cheers
Mac

04

From: Thomas-A Stahl

Sent: 2018-10-30 17:27

To: Daniel Schmand

Subject: RE: Read please: POG BV invitation letter

Müssen reden bitte. Muss Frank sauber bei V managen können, sonst issue mit Jeff.
... und wir sind global mit BTG wieder gut.

Thomas

01

From: Leandro Schujmann

Sent: Terça-feira, 30 de outubro de 2018 15:02

To: Luciana Novaes

CC: Aldo Perracini

Subject: Re: POG BV - RBL

Luciana,

Our leading banks invited yesterday Gilles Chaput who is a director in the RBL desk in the structured commodity and trade finance DB's team in London, but he has declined the transaction.
Can you please talk to him and let us know if DB would like to be participate or not in the our RBL?

Best,
Leandro Schujmann

02

From: Aldo Perracini

Sent: Quarta-feira, 31 de outubro de 2018 05:45

To: Luciana Novaes

CC: Leandro Schujmann

Subject: Re: POG BV - RBL

Luciana,

We've received a feedback from our bookrunners that DB declined the transaction "for not being comfortable with BTG". This is the first time we ever receive such feedback from a bank and we struggle to understand what does this even mean. Also, this is even more strange as we have DB accounts in our BTG BV entity here in The Netherlands (?). I think this feedback from DB will also not play well with Vitol.

Anyway, please let us know. If DB is really not comfortable with BTG for some reason, then we also see no reason to keep DB accounts for BTG BV and POGBV and we will then close such accounts.

Best,
Aldo.

03

From: Luciana Novaes

Sent: Quarta-feira, 31 de outubro de 2018 08:11

To: Ricardo Cunha

Subject: Re: POG BV - RBL

Cunha,

Olha esse absurdo.

Vamos falar pfv?

Luciana Novaes

01

From: Ricardo Cunha

Sent: Mittwoch, 31. Oktober 2018 13:21

To: Thomas-A Stahl; John Macnamara

CC: [redacted]
Daniel Schmand [redacted] Luciana Novaes [redacted]

Subject: POG RBL Facility | BTG Issue [I]

Dear Thomas and John,
Can you please take a look at the below situation?

As you know Petrobrás Oil and Gas "POG" is renewing their RBL facility.

DB, thru SCTF UK, was invited to participate and as per below email (from POG) declined using the argument "not being comfortable with BTG". BTG owns 40% of POG.

The below feedback could not be more inappropriate and more damaging to our close relationship with BTG Pactual who is our most profitable ICG client in Latam with YTD revenues in excess of EUR 10mm. This may have repercussions with Vitol as well.

The reported feedback may represent the view of one specific individual but clearly it does not reflect DB's institutional view. I am BTG Pactual's ACO and would expect some form of clarification and/or re-statement on the below.

Btw, I just received a phone call from BTG's CEO (Roberto Salloutti) which I have not returned yet.

Thanks and Regards
Ricardo Cunha

02

From: John Macnamara

Sent: Quarta-feira, 31 de outubro de 2018 12:20

To: Ricardo Cunha; Thomas-A Stahl

CC: [redacted]
Daniel Schmand [redacted] Luciana Novaes [redacted]

Subject: POG RBL Facility | BTG Issue [I]

Oh dear. To confess, this one is down to me.

With apologies to those who know this story already, I personally had a run in with BTG Pactual in Brazil in 2008-9, on a deal introduced to us by DB Sao Paolo, when I had the same job as now, which cost DB money, since when I refuse to deal with them. While I know I am not alone in the market with this, I don't advertise against them, but I have been consistent on this position for the last 10 years within DB.

I'm also aware that various colleagues elsewhere in DB are happier to deal with them, and every so often I get beaten up for not dealing with them (I remember everyone being very keen to tell me that Anshu Jain liked Mr Esteves and was an enthusiastic supporter, until Mr Esteves was arrested in 2015) so allow me to make clear that I have never blocked anyone else in DB from being more brave than me, but for the products for which I have responsibility, I claim the right not to work with those I simply don't trust.

[...]

If you want to change the message to 'there's an awkward old fat bastard MacNamara who is not comfortable, and we blame him for poor communication' with BTG Pactual then please be my guest, it's all true (and not the first time some there will have heard this), and my sincere apologies for what looks indeed like a lack of coordination (to be fair we have declined the Vitol deal so many times now I think the deal team were getting 'decline fatigue'), but there are other nails in this coffin – for preference I would do PXF in Nigeria over RBL any day of the week, and secondly the economics of being a stuffee on such a deal really don't work for us – like the rest of the bank, we make our money on arranging & selling down, not on being the last investor.

Best regards
Mac

03

From: Ricardo Cunha

Sent: 31 October 2018 15:35

To: John Macnamara; Thomas-A Stahl

CC: [redacted]
Daniel Schmand [redacted] Luciana Novaes [redacted]

Subject: POG RBL Facility | BTG Issue [I]

John,

I am not questioning your rationale behind declining the transaction but rather the manner in which it was communicated to the client.

You cannot make your personal stance on this matter pass as Deutsche Bank's institutional stance which happens to be completely different.

This is simply damaging to DB and could be costly to us.

Regards
Ricardo

04

From: John Macnamara

Sent: Mittwoch, 31. Oktober 2018 17:22

To: Ricardo Cunha; Thomas-A Stahl

CC:

Daniel Schmand

Luciana Novaes

Subject: POG RBL Facility | BTG Issue [I]

Hi Ricardo

Well I didn't personally have the conversation with CACIB, so cannot testify as to exactly what was communicated, but it is also my experience that banks who are struggling to syndicate deals have nothing good to say to their client about the banks who decline.

It's also damaging to DB if we suffer a credit loss, and we discuss here a 7 year corporate exposure in Nigeria. In the 19+ years of SCTF at DB we have always finished each year net profitable, yet I confess we have also had so far 5 deals in this history which resulted in actual loan losses for DB. Two of those were in Brazil (1 as described with the help of BTG Pactual in 2008) and another in the oil sector in Nigeria in 2015 (in fact the former CEO and COO of the Nigerian corporate were just this week sentenced to 30 years prison in the UK for fraud, from which they will not be able to buy their way out). There's a reason why these deals are hard to pull off. I always made very clear to Coverage I don't deal with BTGP, but I agree the communication was clearly poor, and as said, feel free to scapegoat me with the client or upstairs, but I have also to say be careful what you wish for- the Bight of Bonny is not in Kansas, it's not even Mato Grosso.

Cheers
Mac