



## Dodd-Frank Title VII Regulation: Notice of Right to CFTC Segregation of Initial Margin for Uncleared Swaps ("IM")

Dear Collateral Officer<sup>1</sup>:

Deutsche Bank AG ("Deutsche Bank") is provisionally registered as a swap dealer with the Commodity Futures Trading Commission ("CFTC") under The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"). This communication is to remind you that if you are a U.S. Person, U.S. Branch of a Non - U.S. Person, Non-U.S. Person Guaranteed Entity or a Guaranteed Affiliate or Affiliate Conduit of a U.S. Person (each as defined by the CFTC), you have a **right to segregate** any initial margin that you post in respect of CFTC-regulated uncleared swaps.

In accordance with CFTC rule 23.701, we are notifying you that, to the extent you post IM in respect of any CFTC-regulated uncleared swap with us that is executed on or subsequent to the applicable compliance date, you have the right to elect that IM be segregated in accordance with the requirements set forth in CFTC rules 23.702 and 23.703 (the "CFTC Segregation Regime"). Unless you wish to change the election you previously made (or were deemed to have made), your existing segregation arrangements, if any, will remain in effect and will apply to future CFTC-regulated uncleared swap transactions. You may change your election at any time by delivering written notice to us.

If you elect to require the CFTC Segregation Regime, certain documentation, including a tri-party custodial agreement that meets the requirements of the CFTC Segregation Regime, must be put in place. Choosing this election might prevent us from entering into new CFTC-regulated uncleared swaps with you until such documentation is in place.<sup>2</sup> Notwithstanding the foregoing, if you choose to enter into an Uncleared Swap with us prior to executing such documentation, you will be deemed to have made an election not to require CFTC IM Segregation for that particular transaction.

Unless your most recent election with us is to require the CFTC Segregation Regime, **if you do not respond within five (5) business days of receipt of this Notice of Right to CFTC Segregation of Initial Margin, we will deem you to have confirmed receipt of this notice by your Collateral Officer and to have made an election to not require the CFTC Segregation Regime.** In the event you execute an Uncleared Swap with us after receipt of this notice but prior to the expiration of the above period, and we have not otherwise obtained your election, we will deem you to have confirmed receipt of this Notice of Right to CFTC Segregation of Initial Margin by your Collateral Officer and to have made an election **to not require** the CFTC Segregation Regime. You may change your election at any time in writing. If you do not elect CFTC Segregation, you remain free to make or retain other arrangements with us for the segregation of initial margin.

A non-exclusive list of custodians that are currently considered acceptable to us for the CFTC Segregation Regime, indicative pricing information, CFTC Segregation Election Form, and Frequently Asked Questions are provided in the [Deutsche Bank Dodd-Frank Resource Centre \(https://www.db.com/doddfrank\)](https://www.db.com/doddfrank). Please use the password: [Dbdoddfrank](#). (This password is being provided for your use as a Client of Deutsche Bank. Please do not share it outside of your institution.)

If you have any questions regarding this notice or to receive a CFTC Segregation Election Letter form or to update previously provided information, please contact your sales representative or [df.segia@db.com](mailto:df.segia@db.com).

<sup>1</sup> "Collateral Officer" means an officer responsible for the management of collateral, or, if you have not identified such officer to us, then the Chief Risk Officer of Counterparty, or if no such officer, the Chief Executive Officer, or if none, the highest-level decision-maker for Counterparty.

<sup>2</sup> Please note that any existing custodial arrangements whether legally required or bargained for independently, might not contain the same terms as the CFTC Segregation Regime and therefore might need to be revised if IM segregation in accordance with the CFTC Segregation Regime is elected. Parties wishing to elect IM segregation in accordance with CFTC Segregation Regime might wish to consult with legal counsel.