



Conditions for Clearing and Pricing Schedule for GTB Securities Services for Listed Securities Clearing Services

December 2020



Conditions for Clearing

As part of our obligations under MiFID II,¹ as a general clearing member we (Deutsche Bank AG (Deutsche Bank)) are required to publish the conditions on which we offer our clearing services.

With effect from 1 January 2021 ("IP completion day"), the relevant delegated regulation under MiFID II relating to investments firms acting as clearing members ("MiFID II Delegated Regulation")², so far as operative at that time, will form part of the domestic laws of the United Kingdom. With effect from IP completion day, references to MiFID II include the MiFID II Delegated Regulation both as it forms part of European Union law and as it will form part of the domestic laws of the United Kingdom.

These conditions include an appropriate due diligence assessment of prospective clearing clients against the following criteria, to be satisfied in Deutsche Bank's sole discretion:

- a) credit strength, including any guarantees given;
- b) internal risk control systems;
- c) intended trading strategy;
- d) payment systems and arrangements that enable the prospective clearing client to ensure a timely transfer of assets or cash as margin, as required by Deutsche Bank in relation to the clearing services Deutsche Bank provides;
- e) systems settings and access to information that helps the prospective clearing client to respect any maximum trading limit agreed with Deutsche Bank;
- f) any collateral provided to Deutsche Bank by the prospective clearing client;
- g) operational resources, including technological interfaces and connectivity;
- h) any involvement of the prospective clearing client in a breach of the rules ensuring the integrity of the financial markets, including involvement in market abuse, financial crime or money laundering activities.

The fees for our clearing services are set out in the pricing schedule below.

¹ Consisting of Directive 2014/65/EU on markets in financial instruments and Regulation (EU) 600/2014 on markets in financial instruments and any relevant implementing or secondary legislation.

² Regulation 2017/589/EU with regard to regulatory technical standards specifying the organisational requirements of investment firms engaged in algorithmic trading



Pricing Schedule for GTB Securities Services Re Clearing

Introduction

EMIR

EMIR² requires that each existing central counterparty (“CCP”) established in the European Union applies for reauthorisation pursuant to the terms of this regulation. As part of our obligations under EMIR, Deutsche Bank’s GTB Securities Services, as a General Clearing Member at certain CCPs, is required to:

- a) publicly disclose the prices and fees associated with the clearing services we provide (including any discounts and rebates and the conditions to benefit from those reductions) (EMIR Article 38(1));
- b) offer our clients a choice between omnibus client segregation and individual client segregation account types (EMIR Article 39(5)); and
- c) publicly disclose the levels of protection we offer to clients, in respect of account types, the corresponding degrees of segregation and the associated costs (EMIR Article 39(7)).

MiFID II

MiFID II regulation³ requires that Deutsche Bank’s GTB Securities Services, as a clearing member at certain CCPs, shall:

- a) publish the conditions under which it offers its clearing services (Article 27(1) RTS 6).
- b) inform its prospective and existing clearing clients of the levels of protection and associated costs (Article 27(2)).

This document sets out GTB Securities Services indicative pricing for providing clearing services on such CCPs and forms the basis for specific discussions between you and your Deutsche Bank client representative(s) regarding the costs involved in clearing securities and selecting omnibus client segregation or individual client segregation. Deutsche Bank’s charges may vary from CCP to CCP depending on the account structures, level of risk associated with such account structures, products, and services offered.

This Pricing Schedule should be read in conjunction with Deutsche Bank’s EMIR Article 39(7) and MiFID II RTS 6 Art 27(2) Clearing Member Disclosure Document (“Disclosure Document”) which contains further information regarding the levels of protection that Deutsche Bank offers clients in connection with clearing services and can be found at the link below:

<https://www.db.com/legal-resources/european-market-infrastructure-regulation/clearing-and-account-segregation>

² Regulation (EU) No 648/2012 on derivatives, central counterparties and trade repositories (known as the European Market Infrastructure Regulation)

³ Commission Delegated Regulation (EU) 2017/589 of 19 July 2016 supplementing Directive 2014/65/EU



With effect from the IP completion day, EMIR and the MiFID II regulation, so far as operative at that time, will form part of the domestic laws of the United Kingdom. With effect from IP completion day, references to EMIR and the MiFID II regulation include EMIR and the MiFID II regulation both as they form part of European Union law and as they will form part of the domestic laws of the United Kingdom.

Capitalised terms used herein and not defined shall have the meaning given to them in the Disclosure Document, unless otherwise stated.

Pricing Considerations

Deutsche Bank's GTB Securities Services charges set out below are indicative of the highest charge applied to the stand alone provision of clearing services before applying any discount or reduction. The charges are in addition to any fees or charges applied by each relevant CCP or third party for the provision of clearing services, subject to the discussion on available discounts or reductions below. Each CCP will provide details on its website of the charges for each account type and the provision of its clearing services.

Deutsche Bank's charges for the provision of clearing services to a specific client are calculated based on a number of variable factors. A client may receive a discount or a reduction from the maximum charges depending on these factors and their application to that client, which may include consideration of a client's wider relationship within the DB Group, a client's credit rating, overall revenue opportunity, capital requirements for banks, or the structure and complexity of clearing service requirements for that CCP. For example, without limitation, some of the following factors may be relevant when determining the discounts available from the maximum charges:

- The client is trading on a mature or STP market which is supported by an efficient clearing model at the relevant CCP;
- The client does not require multiple accounts or a complex booking structure;
- The clearing service provided to a client is delivered and supported by standard operational and technology processes;
- The client is able to provide either cash collateral or eligible collateral to cover initial margin requirements;
- The client transacts a high volume of business;
- The client does not require more complex allocation solutions, such as average pricing;
- The client utilises Deutsche Bank's execution platforms;
- The client does not require an Individual Client Account;
- The client's choice of Omnibus Client Account;
- The client does not require any physical delivery of positions.

For any particular CCP service, clients may choose between an Omnibus Client Account or an Individual Client Account offered by Deutsche Bank. Due to the increased operational complexity and funding implications generally required to support Individual Client Accounts, it is likely that the range of available discounts will be higher for Omnibus Client Accounts than for Individual Client Accounts.



Deutsche Bank's GTB Securities Services Clearing Pricing Structure

Taking in to account the pricing considerations detailed above whilst recognising the variance in fees and charges from one CCP to another the below form country and or CCP specific Clearing Member Pricing Disclosure Documents which should be reviewed independently from one another.

a) Euronext

[https://www.deutschebank.nl/nl/docs/DB_Adam - CCP Services Pricing Disclosure Document.pdf](https://www.deutschebank.nl/nl/docs/DB_Adam_-_CCP_Services_Pricing_Disclosure_Document.pdf)

b) Germany

<https://www.db.com/files/documents/emir/securities-services-listed-securities-general-clearing-member-germany-price-disclosure-re-emir-and-mifid-ii-document.pdf>

c) Hungary

<https://www.db.com/hungary/docs/EMIRMiFIDII PricingDisclosure.pdf>

d) Italy

https://www.db.com/italia/it/docs/Pricing_Disclosure_Document.pdf

e) Poland

<https://www.deutschebank.pl/static/files/clearing-member-disclosure-requirements.pdf>

f) Spain

https://www.deutsche-bank.es/pbc/docs/Documento_Informativo_EMIR_tarifas.pdf

Please note that other add-on services may incur additional fees. Deutsche Bank reserves the right to amend pricing and to pass on costs/charges to reflect any financial impact of capital, balance sheet, funding or derivative leverage requirements associated with providing clearing services. In addition, Deutsche Bank reserves the right to pass on charges relating to default fund contributions and/or non-default loss allocations as required by CCPs from time to time.

Please note that pricing and charges are indicative and subject to change or amendment from time to time.



Disclaimer

Whilst this document will be helpful to you when making a decision about clearing services, this document does not constitute legal or any other form of advice and must not be relied on as such. This document is intended for discussion purposes only and does not create any legally binding obligations on the part of Deutsche Bank AG and/or its affiliates ("DB"). This document provides a high level overview of pricing for clearing services. It does not provide all the information you may need to make your decision on which account type or level of segregation is suitable for you or what the precise charges will be to provide such levels of segregation to you. Nothing contained herein should be considered an offer, or an invitation to offer or a solicitation or a recommendation by DB for a particular account type, level of segregation or transaction and no representation or warranty is made as to the accuracy or completeness of the disclosure provided. DB is not acting as your legal, financial, tax or accounting adviser or in any other fiduciary capacity with respect to any proposed transaction or segregation arrangement mentioned herein. It is your responsibility to review and conduct your own due diligence on the relevant rules, legal documentation and any other information provided to you on each of the segregation offerings and those of the various CCPs on which DB clears transactions for you. Before entering into any arrangement you should be aware that certain transactions or arrangements give rise to substantial risks and are not suitable for all investors. You should take steps to ensure that you fully understand the transaction or arrangement and have made an independent assessment of the appropriateness of the transaction or arrangement in the light of your own objectives, needs and circumstances, including the possible risks and benefits of entering into such transaction or arrangement. You may wish to appoint your own professional advisors to assist you. For general information regarding the nature and risks of the proposed transaction and types of financial instruments please go to <https://www.db.com/legal-resources/risk-Disclosures/index>. When making an investment decision, you should rely solely on any specific final documentation relating to a transaction and not any summary. If you decide to enter into a transaction with DB, you do so in reliance on your own judgment. Assumptions, estimates and opinions contained in this document constitute our judgment as of the date of the document and are subject to change without notice. DB trades or may trade as principal in the instruments (or related derivatives), and may have proprietary positions in the instruments (or related derivatives) discussed herein. DB may make a market in the instruments (or related derivatives) discussed herein. Sales and Trading personnel are compensated in part based on the volume of transactions effected by them. DB seeks to transact business on an arm's length basis with sophisticated investors capable of independently evaluating the merits and risks of each transaction, with investors who make their own decision regarding those transactions.

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