

## German Deposit Protection (EinSiG)

NB: The terms 'client', 'customer' and 'depositor' are used interchangeably throughout this document.

### What is it?

The European Parliament issued the **deposit guarantee schemes** Directive 2014/49 on April 16th 2014, with a deadline July 3rd 2015, for implementation in the respective laws of the European Economic Area (EEA). EinSiG is Germany's take on the European Deposit Guarantee Scheme.

EinSiG requires German credit institutions, such as Deutsche Bank AG, to:

- Inform **new customers** about their participation in a deposit guarantee scheme (DGS)
- Obtain **new customers' acknowledgement** of having received this information
- Provide information about their participation in a DGS on their account statements
- Provide a standardized information sheet annually to all their deposit customers

### NB: These communications are physical

The Directive's aim is to make sure that all financial institutions inform all prospective new and existing customers of the existence of mandatory deposit protection schemes, the extent of the protection afforded and what customers should do, in case their financial institution becomes bankrupt.

Deutsche Bank AG, domiciled in Germany, is forced to put into place the requirements arising from the German Banking Act (Kreditwesengesetz) paragraph 23a based on the aforementioned Directive for all of its branches, whether they are in Germany, Europe or outside that region.

### What does Deutsche Bank need to do?

To fulfill the legal requirements under this Directive, Deutsche Bank AG must:

- Inform prospective new clients about the existence of the deposit guarantee scheme before opening their first account by distributing the "Depositor Information Sheet", which the customer must sign and return, in order for Deutsche Bank to be able to file as evidence
- Inform existing customers, via the account statements provided, about the fact that deposits are protected
- Inform existing customers on an annual basis about the deposit protection scheme by distributing the "Depositor Information Sheet". While new customers must sign the "Depositor Information Sheet" before an account can be opened, this annual dispatch of "Depositor Information Sheet" does not require an acknowledgement (i.e. signature of the customer).

### What is being done?

- Because we are currently in breach of the regulation, we have eligible customers on boarded after the regulation go live date (3<sup>rd</sup> July 2015) that need to sign and return the Deposit Information Sheet.
- Clients eligible for deposit protection on boarded prior to the regulation go live will receive a version of the deposit information sheet that does not require a signature.
- Account opening/COB processes are currently being enhanced to ensure that new customers receive the "Depositor Information Sheet" before we enter into contract with them for certain products.
- All eligible clients, regardless of their onboarding date will receive an annual reminder.

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