How are our Global Markets Clients scoped?

Legal Entity the Client faces:

- In scope of EinSiG are all German credit institutions including their local and foreign branches as well as German branches from other credit institutions with a corporate seat outside of the EEA.
- For Global Markets this means clients facing the DB AG entities (See Appendix 1).

Exclusion of certain customers:

- This has come directly from the regulation. Examples include Credit Institutions (banks, building societies and credit unions), Collective investment schemes, Pension Schemes and Retirement Funds. For the full list please see section 6 of the EinSiG regulatory document (Appendix 7).
- These outlined customer groups have been translated to DB Industry Codes which we have excluded from our scoping criteria in dbCAR/cRDS (See Appendix 2).

Products in scope:

- A Balance Sheet analysis for DBAG London (Entity Id 840) of the in-scope FSIs (Financial Statement Items): "Liabilities to customers" (Verbindlichkeiten gegenüber Kunden) as well as "Receivables from customers" (Forderungen gegenüber Kunden) as per HGB (Handelsgesetzbuch – German Commercial Code) has revealed that only "GMF Money Market" and "Collateral Management (Cash)" are PSM product types in-scope of the DGS. Under "GMF Money Markets" the sub products "Deposits" and "Both" have been deemed in scope.

How will we reliably identify in scope clients?

Strategic DbCAR/cRDS Solution

As mentioned above, there are certain eligibility criteria that must be met in order for a client to fall into scope. Given the above parameters we have a signed-off business requirements document and a functional specification for a solution that will identify and label a client as in scope at the point of on boarding. The COB user will then be able to issue out the DIS with the opening pack.

Further still, the solution has the ability to track the client correspondence in dbCAR and upload returned documents. I.e. record when a user has sent out the DIS and when it has been received back.

The solution has been ready for deployment since R16 but has not been allocated a release.

Tactical Interim Solution

Data, with the following parameters, has been pulled from cRDS:

- Active GM Clients
- On Boarded or extended with either GMF Money Markets (Sub Types 'Deposits' or 'Both') and/or Collateral Management (Cash)
- Exclusion of certain DB Industry Classification Codes (Appendix 2)
- Inclusion of DB AG entities only (see Appendix 1)
- Depending on the date the client is on boarded or extended into the above product categories, they are labelled as either before or after regulation go live which means they receive a one way vs a countersign version of the DIS respectively.

This has produced an in scope client list (See Appendix 3) which shall enable us to perform outreach by year end. Until the dbCAR/cRDS solution goes live, client reference data will manually identify the monthly delta between this client list to keep up with our legal obligation (the pattern has been circa 2 new clients a month).

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