



Cash Investment Service

dbCIS - One stop-shop for your liquidity management

Our dbCIS platform is the solution that offers premium access to Repo Market Makers and Money Market Funds enabling clients to manage and diversify excess cash more efficiently.

Corporate Clients' Experience

- ✓ Profiting from attractive yields compared to standard term deposits despite collateralization with reverse repos
- ✓ Highly liquid investment in Money Market Funds
- ✓ Convenient daily management of liquidity and easy execution of trades
- ✓ Risk diversification in collateralized or highly rated, liquid investments
- ✓ Once onboarded you have access to 15+ repo counterparties and multiple fund providers with only one agency agreement

- 1 One-Stop-Shop
- 2 Diversification
- 3 Security
- 4 Premium Access
- 5 Cash Portfolio Management



dbCIS

Cash Investment Service

(Reverse) Repos

Our Agency Solution model provides a **convenient and secure** way to invest surplus cash via dbCIS in Reverse Repos to meet your **temporary investment needs**

>> Enhance & diversify your investments with secure Reverse Repos

Money Market Funds

Via dbCIS you can invest into MMFs from **multiple fund providers that** offer highly liquid and regulated investments with a stable yield with **only one onboarding**

>> Optimize your liquidity with investments in Money Market Funds



“With just one onboarding we gained access to a range of platform benefits ranging from a broad selection of highly liquid and secure investment opportunities to attractive yield and rebates.”

- Hapag Lloyd



“Reverse repos offer collateralized investments with flexible risk/return profiles. Agents like DB grant access to this market with one agency agreement.”

- RWE Aktiengesellschaft, Nicolas Meyer



“Money Market Funds have been excellent for ramping up our dividend payment in May 2023, especially in light of the settlement of the payment. Due to the large size of the connected funds to the CIS platform, accommodation of more than USD 12bn into Money Market Funds was possible without any problems.”

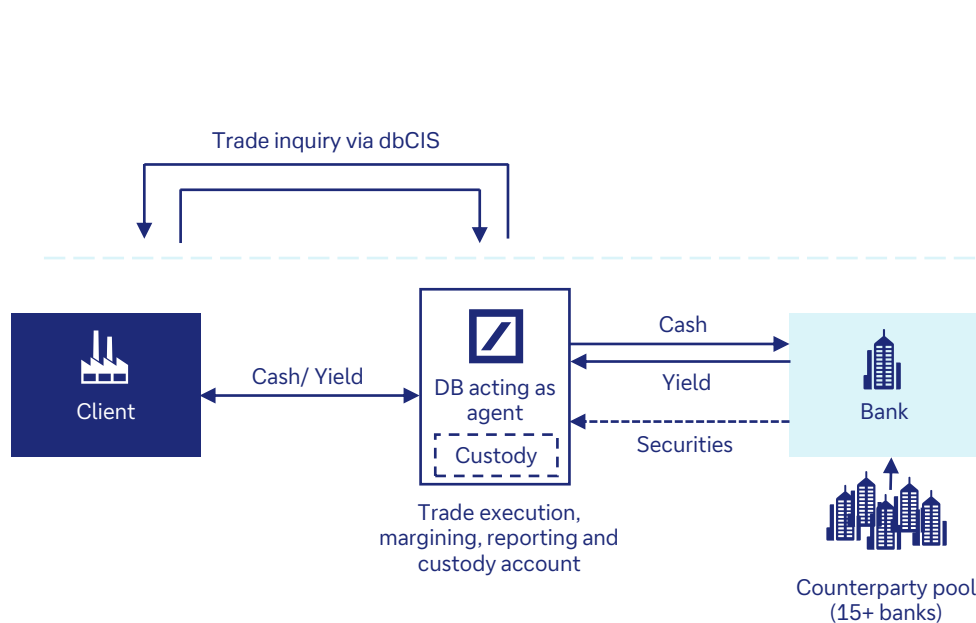
- Hapag Lloyd



How does the dbCIS Agency Solution work?



Reverse Repos



1 Trade inquiry & response

Client sends inquiry (volume, tenor, yield target) to DB and receives tradeable levels from the counterparty bank pool (~15+ active banks)

2 Trade execution, settlement & management

- **Option 1:** Standard collateral baskets + indemnity by DB in case of counterparty insolvency
- **Option 2:** Customized collateral baskets (e.g. 0% haircut)

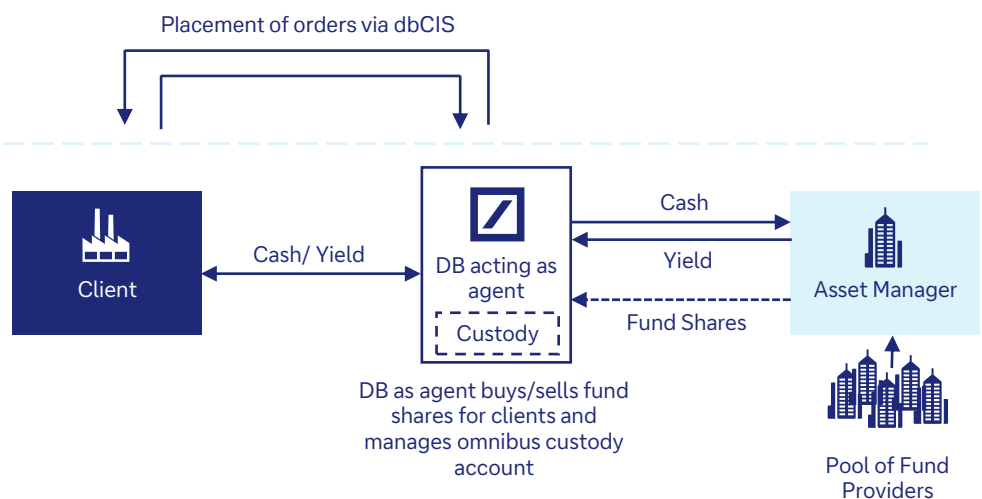
Money Market Funds

1 Trade placement

Client can place trades on existing infrastructure (top share class available) without separate agreements with each fund provider

2 Execution & custody

DB executes trade on behalf of clients and provides custody via omnibus account for fund shares





Cash Investment Service



One-Stop-Shop: One onboarding agreement gives access to 15+ active repo counterparties and fund providers.



Security through collateralization, DB indemnity (reverse repo) and highly rated, short-term instruments (MMFs).



Premium Access to repo market makers and top money market funds, at a flat p.a. agency fee on the invested volume.



Transparency through unified trade reports and holding statements; obligatory regulatory reporting on behalf of clients.



Experience: DB has been operating in the agency business for 20+ years and was named "Best Lending Agent EMEA" in the past¹.



Portfolio Management as DB manages entire lifecycle (incl. custody) plus option to mandate DB to actively invest under agreed guidelines.



Reverse Repos

via dbCIS

5+

Available
standard
collateral sets

15+





Active
Counter-
parties

100mn

Ø Ticket
Size



Your Benefits

-  **Execution:** DB has a dedicated agency trading desk to source and execute best available repo transactions from the counterparty pool.
-  **Security:** Protection of the client from counterparty credit risk through daily margining of the collateral.
-  **Indemnity:** Maximum security through margin shortfall indemnity in case of counterparty insolvency (only for standard collateral baskets).
-  **Outsourcing:** DB assumes operational and administrative effort (legal documentation, execution, settlement, custody, margining, etc.).

Three Layers of Security



Overcollateralization: the market value of the securities used as collateral can be higher than the cash received due to haircuts



Automated daily margining: If the market value of the collateral securities declines, the counterparty needs to provide additional securities to compensate for the difference

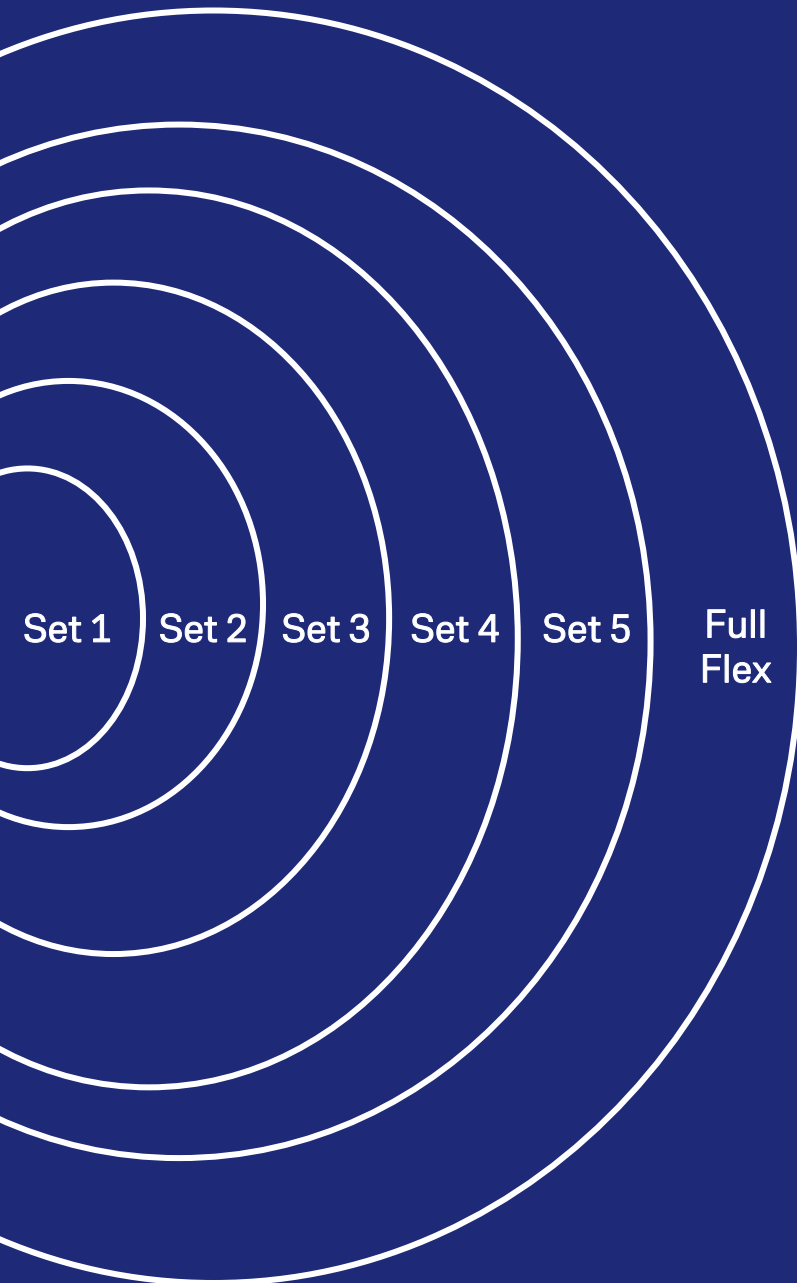


DB Indemnity: If the counterparty bank is insolvent, DB liquidates the collateral on your behalf. And if there is a difference, DB will cover shortfalls (for standard collateral baskets)



Reverse Repos - Security Baskets

We offer a set of standard collateral baskets, which are indemnified by DB and a Full Flex basket. Respective (reverse) repo quotes are highly dependent on the selected collateral baskets, the counterparty bank as well as current market conditions.



Set 1: OECD Govts (incl. all EURO-in countries)¹

+ **Set 2:** Corporates, Supranationals and additional countries²

+ **Set 3:** same as Set 2

+ **Set 4:** additional countries³

+ **Set 5:** additional countries⁴

+ **Full flex:** No restrictions on issuer countries of fixed income asset types (no indemnity)

Equity: Set 1, PLUS; common stock, non convertible preferred stock, convertible common stock, rights and warrants listed on main indices in OECD countries and ADRs, GDRs and IDRs whose underlying equity is listed on those indices. (no indemnity)

Choose your own galaxy!

1) Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, UK & USA

2) Czech Republic, Hungary, Mexico, Poland, Slovak Republic, South Korea & Turkey

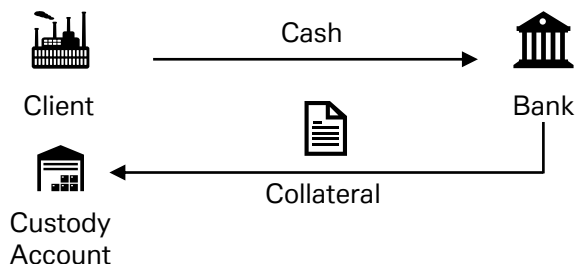
3) Bahrain, Cayman Islands, Channel Islands, Kuwait, Netherlands Antilles, Qatar & United Arab Emirates

4) Argentina, Brazil, China, Chile, Croatia, Hong Kong, Malaysia, Panama, Philippines, Russia, Singapore, South Africa, Thailand, Venezuela

Reverse Repos – Settlement Types



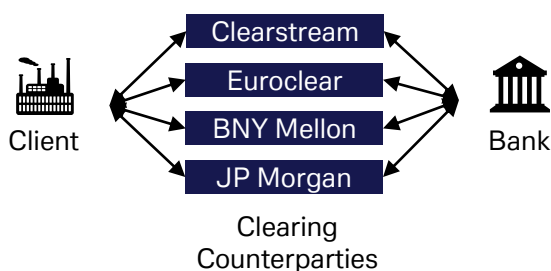
Bilateral Reverse Repo



In a two-party set-up the party receiving cash delivers securities to the cash provider. Collateral is then posted in a custody account where the collateral is under full control of the buyer (legal ownership).

- ✗ **Margining:** There is no automated margining of the collateral during the lifecycle of the trade. Both parties are required to manage any collateral exchange manually
- ✗ **Automation:** Execution and collateral management, like corporate actions (e.g. coupons), triggering a tax event, need to be taken care of
- ✗ **KYC/Setup:** Clients need to get onboarded for repos with each bank they want to trade with. Additionally, a GMRA needs to be signed with each bank
- ✗ **Risk:** Minimum Transfer Amount (MTA) for margining operations is usually larger than in triparty trades to reduce operational effort. This increases the counterparty risk

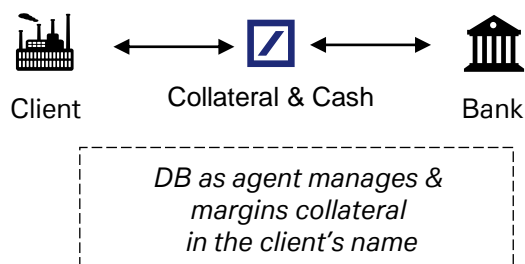
Triparty Repo



In a triparty repo both parties independently notify the clearer. The clearer exchanges cash and collateral that satisfies pre-agreed criteria (e.g. Set 5) from each counterparty's settlement accounts.

- ✓ **Margining:** The triparty agent manages the regular valuation of the collateral and checks if any collateral ceases to conform the quality criteria of the buyer
- **Automation:** Client needs to execute trades against each bank separately
- ✗ **KYC/Setup:** To participate in tri-party repo, clients need to get onboarded with clearing counterparties, additionally to implement setups with each bank
- **Risk:** In case of a bank default, client is dependent on the value of the collateral – in case of any valuation difference, risk is against the defaulted bank

Cash Investment Service



Cash Investment Service (CIS) by DB operates within the triparty repo framework. DB acts as an intermediate between client and counterparty. Via CIS clients get access to ~15+ active cpty's.

- ✓ **Margining:** DB is ensuring automated margining, no matter if the underlying trade is executed in triparty or bilateral format¹
- ✓ **Automation:** Trades against each bank will be centralized with DB. Client chooses counterparty and trade economics – once agreed, execution and lifecycle will be fully managed by DB
- ✓ **KYC/Setup:** There are no separate agreements necessary apart from your contract with DB. No setup with clearing counterparties, no GMRAs with banks needed
- ✓ **Risk:** Additional layer of security through margin shortfall indemnity in case of insufficient collateral after counterparty insolvency²

1) Automated margining in bilateral format requires a PoA for DB on client's custody account
2) Indemnity only applies for Fixed Income Set 1-5

Agency Reverse Repo – DB Indemnity



In the scenario that the respective counterparty (global financial institution) defaults, there are **various security mechanisms** ensuring capital protection.

1. Collateral Management

Haircut + Daily Margining

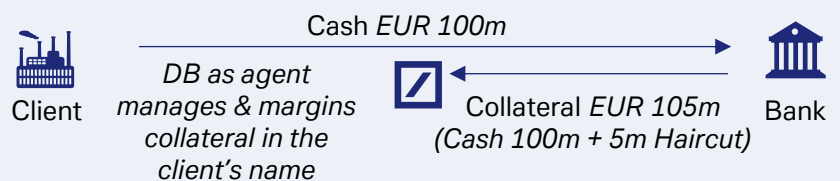


2. DB Indemnity

Compensation in case of a shortfall

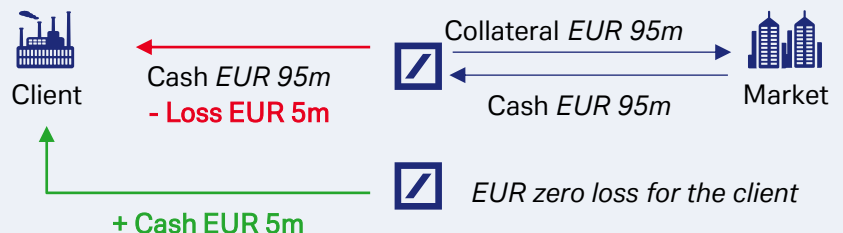
The counterparty posts **at least 100% collateral**, the difference (“haircut”) depends on the basket. The value of the collateral is **margin**ed daily. If the market value of the collateral securities declines, the counterparty needs to provide additional securities to compensate for the decline.

Example:



For standard collateral baskets: In case of a counterparty insolvency, the securities are liquidated by DB for the client. However, if the **value** of the sold securities is **insufficient** and not covering for the invested cash, **DB** steps in as agent and **indemnifies** the client.

Example:



Capital Protection

For standard collateral baskets: In case a counterparty defaults and the value of the securities sold in the market is insufficient covering for the cash initially invested by the client, DB steps in to compensate for any potential shortfall (Collateral Sets 1-5). Hence a reverse repo can be compared to a “collateralized deposit”.



Money Market Funds

via dbCIS

7+

Fund
providers*

63+

Available
funds* in
EUR, USD,
GBP

3.5 bps

Ø Rebate

>> Find all available funds [here](#)

Money Market Funds



Money market funds are highly regulated funds (in the EU in line with ESMA Guidelines) which invest in short-term, high-quality debt instruments.

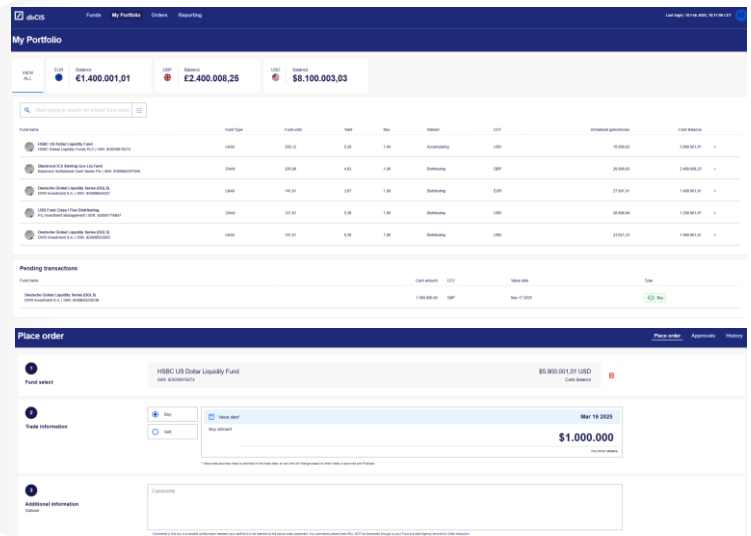
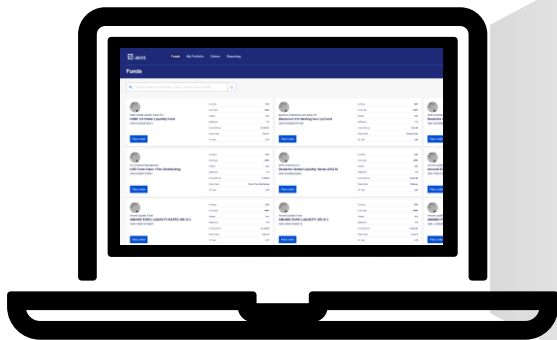
Your Benefits from using dbCIS



- Top Share Class:** Clients can access top share classes and hence attractive fee structure of selected MMF ≥ 5 bps
- Execution & custody:** Clients trade on existing infrastructure - no other agreements, custody accounts, or KYC required ≥ 1 bps
- Sales rebate:** DB receives a rebate from the fund providers, which is passed on 100% to clients ≥ 0-8 bps

Our userfriendly dbCIS webportal

dbCIS enables clients to directly access all available Money Market Funds in a web-based portal. Placing new orders and reviewing the history of orders as well as approving orders is simple now.



Direct visibility of all available funds, the respective information and daily updated yield



External settlement or DB internal settlement direct debit possible



Portfolio overview (overall balance, invested funds and fund manager)



4-eye check availability in order process



Simple order process while monitoring of execution process and full settlement possible



Quick and simple onboarding



Generic Overview – CNAV, LVNAV, VNAV what's the difference?

The European MMFs are classified according to the types defined by the EU MMF Regulation and include:

- ✓ **CNAV:** 99.5% of the fund is exposed to government assets
- ✓ **LVNAV:** Invests into money market instruments including financials with strict liquidity bucket constraints
- ✓ **VNAV:** Subject to looser rules than LVNAV with more flexibility for credit exposure and duration

	CNAV / Constant Net Asset Value	LVNAV / Low Volatility Net Asset Value	ST VNAV / Short-Term Variable NAV
Max. WAM/WAL¹ (days)	60 / 120	60 / 120	60 / 120
Eligible investments	Bills, notes and other obligations issued or guaranteed by highly-rated governments to the currency of the fund (CNAV are mostly in USD) 99.5% in government assets	Time Deposits, Reverse Repo, Certificates of Deposit, Commercial Paper, Asset-backed commercial paper – Medium term notes (fixed and floating), Eurobonds/bonds	Time Deposits, Reverse Repo, Certificates of Deposit, Commercial Paper, Asset-backed commercial paper – Medium term notes (fixed and floating), Eurobonds/bonds
Minimum daily/weekly liquidity in fund	10% / 30%	10% / 30%	7.5% / 15%
Pricing for distributing funds	Units in the fund are purchased or redeemed at a constant price rounded to the nearest percentage point	Units are purchased or redeemed at a constant price so long as the value of underlying assets does not deviate by more than 20 bps	Units in the fund are purchased or redeemed at a variable price calculated to the equivalent of at least four significant figures
Liquidity Fees and Gates	Yes ²	Yes ²	UCITS Rules ³
Max Maturity	397 Days	397 Days	397 Days

1) Weighted average maturity / weighted average life

2) If maturing assets of the fund fall below 30% of total assets and daily net redemptions exceed 10% of total assets on a single working day, the fund's Board has the right, but not obligation, to implement liquidity fees and/or redemption gates. If weekly maturing assets fall below 10%, the Board is obliged to decide whether to implement liquidity fees and/or redemption gates

3) UCITS(Undertaking for Collective Investments in Transferable Securities) – funds have liquidity management tools ranging from delayed redemptions through fees, gates and payment-in-kind in some scenarios

With deep dedication.



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