

DC STATEMENT 25 April 2019

Amendment to DC Statement dated 19 September 2018 (as previously amended on 20 September 2018 and 15 March 2019).

The EMEA DC has previously considered as a question of interpretation, in its statement of 19 September 2018 (as amended on 20 September 2018), the Seniority Level for a market standard senior 2014 Transaction referencing Deutsche Bank AG and specifying Standard Reference Obligation, or Standard Reference Obligation at the Senior Level, as applicable, without differentiation (unless expressly specified as being a senior preferred CDS transaction, including by specifying a senior preferred obligation), which has been entered into during the Relevant Period.

For this purpose, "**Relevant Period**" originally meant the period on or after publication on the SRO List of a Standard Reference Obligation for the Senior Non-Preferred Level and prior to publication on the SRO List of a Standard Reference Obligation for the senior preferred Seniority Level, in each case in respect of Deutsche Bank AG.

The DC determined that such 2014 Transaction will be interpreted as referring to the Standard Reference Obligation for the Senior Non-Preferred Level in respect of Deutsche Bank AG.

In its statement of 15 March 2019, in light of the publication of the ISDA 2019 German Bank CDS Protocol and the extension to the Cut-off Date for adherence and the Implementation Date of such Protocol to 26 April 2019 and 29 April 2019 respectively, the EMEA DC determined that the Relevant Period in respect of a Transaction referencing Deutsche Bank AG should be amended such that the Relevant Period ends on and excludes the Implementation Date of the ISDA 2019 German Bank CDS Protocol.

The interpretation described above would also apply in respect of market standard senior 2014 Transactions referencing Commerzbank AG following the subsequent publication of the Standard Reference Obligation for the Senior Non-Preferred Level in respect of Commerzbank AG.

The Implementation Date of the ISDA 2019 German Bank CDS Protocol has now been updated to 11 May 2019. The EMEA DC has determined that the Relevant Period in respect of a Transaction referencing Deutsche Bank AG should continue to end on and exclude the updated Implementation Date of the ISDA 2019 German Bank CDS Protocol.

The DC would apply the same approach in respect of other German bank Reference Entities as that adopted by the DC in relation to Deutsche Bank AG and Commerzbank AG.

***IMPORTANT NOTE: The effect of this amendment to the DC Statement of 19 September 2018 is that prior to the updated Implementation Date of the ISDA 2019 German Bank CDS Protocol any trades at the Senior Preferred SRO level must explicitly reference a Senior Preferred Reference Obligation. Until the Protocol is implemented a trade which refers to the Senior SRO without such explicit reference will be treated as being at the Senior Non-Preferred level.**