

December 8th, 2020

Vanessa A. Countryman
Secretary, Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

RE: Notice of Substituted Compliance Application Submitted by the Bundesanstalt für Finanzdienstleistungsaufsicht ("BaFin") in Connection With Certain Requirements Applicable to Security-Based Swap Entities Subject to Regulation in the Federal Republic of Germany; Proposed Order (File Number S7-16-20)

Dear Ms. Countryman,

Deutsche Bank appreciates the opportunity to comment on the BaFin's application for substituted compliance pursuant to Rules 0-13 and 3a71-6 under the Securities Exchange Act of 1934 ("Exchange Act") and the Commission's Proposed Order providing conditional availability of substituted compliance in connection with the application.

Deutsche Bank is a leading global financial services company headquartered in Frankfurt, Germany. We provide banking services to companies, governments, institutional investors, small and medium-sized businesses and private individuals. Deutsche Bank is a leading provider of liquidity to US and non-US institutional investors, corporates and other large entities in global security based swap (SBS) markets. These markets are core to our current and future business strategy of servicing our clients' needs. We expect that our German prudentially regulated Deutsche Bank AG entity (including all its branches) will register with the SEC next fall as a SBS dealer.

Deutsche Bank appreciates the SEC's efforts in finalizing the Title VII reforms in a manner that takes into account the global nature of SBS markets, and by establishing an "outcomes based" focus for substituted compliance determinations pursuant to which the SEC would defer to the home country regulators and regulation of non-US registrants where supervisory and enforcement frameworks serve to achieve the same objectives albeit using non-identical means.

We also commend the hard work and cooperation undertaken by the SEC and BaFin to get us to this point, and for their commitment to continue working with each other to ensure a proper regulatory balance over these cross-border markets. This is not easy work, but as noted in the Board of the International Organization of Securities Commissions ("IOSCO")'s June 2020 Report on Good Practices on Processes for Deference¹, this is work that serves to mitigate risk of market fragmentation which would ultimately hurt end users deprived of a most diverse global liquidity pool.

¹ See <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD659.pdf>



Deutsche Bank is largely in support of the Proposed Order. We have participated in the preparation of a comment letter submitted by the Securities Industry and Financial Markets Association (“SIFMA”) and strongly endorse the comments and recommendations in that letter.

Deutsche Bank wishes to emphasize recommendations in the SIFMA comment letter relating to treatment of Rule 18a-7 financial and operational reporting. We do very much support the SEC’s suggestion of permitting registrants covered by the substituted compliance Order to file its Part IIC with a limited number of line items for 24 months to allow the SEC to evaluate the scope of information needed to monitor the registrant. We would also recommend that the SEC consider allowing the registrant to complete the Part IIC using information already provided to the SEC through 6K and 20F reports, using the accounting standards and consolidation levels already accepted by the SEC for those reports. As noted by SIFMA, preparing a report in full conformance with Part IIC would require significant systems buildout for non-US registrants and with limited benefit for the SEC. Lastly, we would support the Commission extending the reporting deadline out to accommodate the reporting deadlines of the source material, for example, we recommend 30 days after the 6K/20F filing deadlines to ensure that line items are accurately and completely transcribed from the source filing into the Part IIC.

We appreciate your consideration of our comments. Please contact Erik Soderberg at [REDACTED] if you require further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jan Ford'.

Jan Ford
Head of Compliance, Americas
Co-head of SBS Council

A handwritten signature in black ink, appearing to read 'Gary Kane'.

Gary Kane
Co-Head Institutional Client Group, Americas
Co-head of SBS Council

Cc:

Christiana Riley, Member of the Management Board, Deutsche Bank AG; CEO, Deutsche Bank USA Corp.

Amberish Ratanghayra, Head of US Regulatory Management Group

Erik Soderberg, Head of Regulatory Affairs – Americas

James Mellstrom, Head of Dodd Frank Compliance

Ira Wurcel, Managing Director and Associate General Counsel