

dbOverlay

Simplicity. Reliability. Transparency

Passion to Perform

Automated currency hedging for your Investors and your Investments from the world's No. 1 FX House*

Investors: Share Class Hedging

- Provide foreign investors the opportunity to participate in your fund on a currency hedged basis
- Significant cost-saving opportunities and increased transparency over traditional custodian-led solutions
- Combine with Deutsche Bank's Custody and Fund Accounting services to create a fully outsourced and automated share-class solution

Investments: Portfolio Hedging

- Remove unwanted FX exposure arising from your international investments
- Outsource your rolling hedge program to Deutsche Bank and free your time to focus on your core competency: Portfolio Management
- Retain complete flexibility on your hedge ratios and your overall FX exposure

dbOverlay calculates your FX risk each period and, using pre-agreed parameters, automatically executes the required FX trades at independently verified fixings. The only input required is a breakdown of FX exposures.

Benefits

Operational Efficiency

dbOverlay can handle some or all stages of your currency hedging program: calculation, execution, risk management, settlement, documentation and reporting.

Transparent and Cost Effective

dbOverlay executes hedges based on a framework of rules chosen in advance. The transacted rates are based on independently calculated fixings. All spreads applied are pre-agreed at inception. There are NO additional fees.

Comprehensive Reporting

The platform provides extensive on-demand risk reporting containing all the vital parameters needed to monitor performance, audit execution levels and track hedge notionals.

Risk Reduction

dbOverlay allows you to outsource many aspects of your operational risk. A pre-agreed automated framework minimises the risk of missed rolls, execution errors or settlement mismatches.

Flexible

The dbOverlay framework is highly configurable. Hedging rules such as benchmark, hedge ratio and trigger threshold as well as economic details such as settlement date and tenor can all be tailored to individual needs.

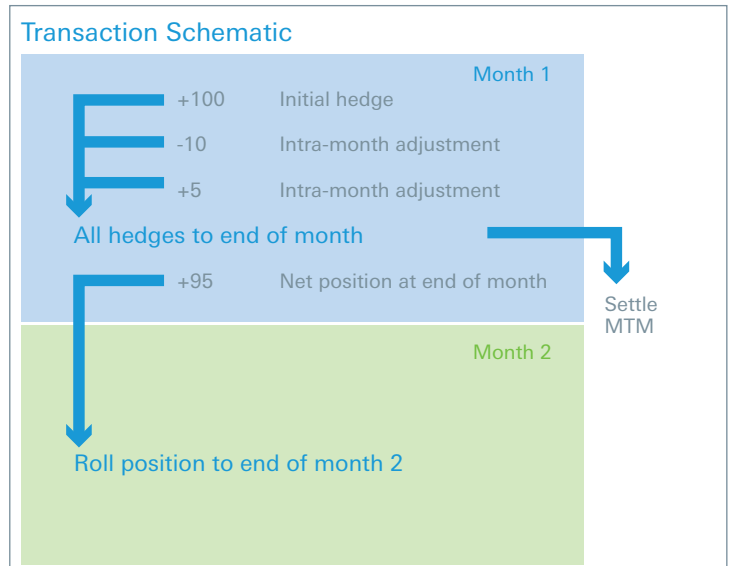
Partnership with No.1 FX Bank

Deutsche Bank has been voted the world's No.1 FX house in the Euromoney Survey, the key industry benchmark, every year for the past nine years with a market share of over 15%.



How does dbOverlay work?

- A) Prior to trading we, Deutsche Bank, work with you to fully define and specify the hedging framework: type of hedge, frequency of rolling, currencies that will be hedged, spreads, credit mechanism, etc
- B) We enter into an agreement enacting this framework and under which the returns made by the hedges are exchanged between us
- C) You provide us with a breakdown of your portfolio assets or share-class NAV
- D) Deutsche Bank automatically executes the hedges and manages the adjustments and rolling of hedges in line with the pre-agreed hedging framework
- E) On any day, outstanding hedges can be adjusted via orders from you or directly from a Fund Accountant



Alternative Applications

- Currency overlay for yield enhancement
- Liquidity insurance for large transactions
- Automated trading strategies with Straight-Through-Processing
- Stop-loss monitoring based on a portfolio of FX trades

dbOverlay provides complete execution transparency whilst simultaneously reducing the operational risk relative to more traditional hedging programs.

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*Euromoney FX Survey 2005 - 2013

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