Dematerialization and digitization of financial instruments are key enablers to build the digital market infrastructure of the future (D7)

**Digital Register (e.g. eWpG):**

- Registration of DEMATERIALIZED SECURITY in a CENTRAL REGISTER
- Filing of final terms in a PUBLIC NODE
- Regular reporting of register content to the supervisory authority
- Provide issuing/paying agents ACCESS TO THEIR DATA REGISTER
- DEMATERIALIZED ISSUANCE in addition to physical issuance

**Smart Digital Instrument:**

- Data, interpretation & logic are FULLY REPRESENTED DIGITALLY in a digital instrument (DI)
- DI contains all events, actions, rules and parties for the ENTIRE LIFECYCLE
- DI is EXECUTABLE ON VARIOUS PLATFORMS of market participants
- DI acts as a GOLDEN SOURCE
- Integrated LEGAL DOCUMENTS (i.e. Final Terms & Term Sheet)
eWpG scope creates opportunities to digitize >80% of ISINs in CBF - 1st market segment addresses structured products

- eWpG scope covering digital issuance of bearer bonds and funds in central digital register within a CSD
- The scope of 1st market segment targets structured products, covering 94% of the addressable market potential based on existing CBF ISINs to be digitized

Active ISINs in CBF*

- Shares and ISINs issued under foreign Law
  - 18.5% (496,538)
- Active ISINs covered by eWpG
  - 81.5% (2,188,136)
- Active ISINs not covered by eWpG
  - Certificates (21%, 459,261)
  - Warrants (73%, 1,596,793)
  - Funds (0.3%, 7,180)
  - Bonds (5.7%, 124,902)

1st market segment addressed from June 22

* The data population is based on the evaluation of all active ISIN on the 05th July 2021 from WSS.
Our D7 digital post-trade platform will serve multiple asset classes based on central and decentral networks

**D7 Vision**

- **Scope**: Digital Securities, Digital Assets, Stable Coins, Crypto Currencies
- **Coverage**: Entire value chain of issuance, custody, settlement/payment, asset servicing
- **Jurisdiction**: Regulated in DE and Lux
- **Governance**: Joint rulebook
- **Building blocks**: DI Generator, Streaming Engine, Digital Register, Decentral Network, Routing Engine, Trusted Third Party (CI)
- **Connecting and enabling**: Central and decentral digitization (enterprise DLT solutions, CBDC and Crypto Currencies), legacy infrastructure and existing offerings like HQLAx, FundsDLT and Origin
- **Serving**: Clearstreams CSDs, ICSDs as well as shared infrastructure for custodians, business networks etc.
D7 in a box: what we can expect by end of 2022

**CAPABILITIES**
- >30k Issuances per Day
- Broad set of Smart Contracts
- Same Day Issuance
- Digital Vault
- Digital Instrument as Golden Source of Data
- T2S-Settlement

**PRODUCTS**
- Structured Products
- Commercial Paper

**REGULATION**
- German e-Securities regulation

**CONNECTIVITY**
- UI
- API
- (Node)

**INTERFACES**
- Legacy Infrastructure
- Listing Venues
- Issuer/ Issuer Agents
- Flow Provider
Thank you!

Jens Hachmeister
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Issuer Services and New Digital Markets
#DigitisingFinancialInstruments

D7 – the streaming platform of the financial markets - YouTube