
Press release

AFME publishes revised Due Diligence Questionnaire to further standardise process for global custodians

8 January 2018

The Association for Financial Markets in Europe (AFME) has today published a revised version of its Due Diligence Questionnaire (DDQ) which harmonises and simplifies the process of completing questionnaires for global custodians.

The AFME Due Diligence Questionnaire Task Force, comprised of approximately twenty Network Managers, reviewed the earlier 2016 questionnaire and additional questions proposed by market participants.

The revised DDQ now incorporates approximately 20 additional questions. The revised document should further standardise the process by allowing firms to use the AFME DDQ without sending a sizeable addendum of additional questions. An additional section has also been added for when the recipient is providing Global Custody services, following request from AFME members.

Alan Cameron, Head of Market Strategy-Brokers, at BNP Paribas Securities Services and Chair of the AFME Due Diligence Questionnaire Task Force, commented: "We were glad to get this review completed in time for 2018. We reviewed many proposals, and while the changes to the previous version are minimal, the most significant change is the addition of a Global Custody section to allow those entities to outline their approach to due diligence for third parties. Our thanks are due to the many banks that participated in this process creating a harmonised document for the industry."

Stephen Burton, Managing Director, Post Trade at AFME, added: "It is encouraging to hear an ever-increasing awareness that the questionnaire can significantly reduce the time spent completing and reviewing due diligence questionnaires. Members devoted a significant amount of their time to make this document even more useful for the industry. We were able to rationalise some questions and added a Global Custodian Section."

AFME encourages the broadest use of this DDQ. It is available to all, free of charge, on AFME's website: <https://www.afme.eu/globalassets/downloads/standard-forms-and-documents/afme-due-diligence-questionnaire-december-2017-final.docx>

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About AFME:

AFME (Association for Financial Markets in Europe) advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting

society. AFME is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. AFME aims to act as a bridge between market participants and policy makers across Europe, drawing on its strong and long-standing relationships, its technical knowledge and fact-based work. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: www.afme.eu. Follow us on Twitter @AFME_EU