

Title: Doubts on DeGiro

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Hello, europoor ape here,

First time posting, and I would rather not, but I have a festering doubt beneath my diamond-clad hands:

Currently my shares are held through Degiro. Now, a wrinkled ape (credits to u/Undue_Negligence) informed me that my shares are not actually held by DeGiro, rather, they are held by DeGiro's custodian in the US, Morgan Stanley in an anonymous omnibus account and ownership info is kept with an SPV.

There's no easy way for me to DSR my shares (IBKR transfers into DSR are still an option, I am aware), but my issues arise from the way my shares are held.

"My IOU's are now held in [the anonymous omnibus account] that can be used to settle unsettled trades in exchange for collateral. So now a borrower goes belly up and DeGiro needs the shares back which they guaranteed for in the process with their own funds. They go belly up as well." (Credits to u/leafdog69420 for the insightful comment)

What's keeping DeGiro from slapping me with just the insurance premium of the German 'investor protection' fund after they tell me my shares are gone?

I'm not sure if this scenario is at all feasible but I'm having a hard time sleeping at night thinking my broker could pull the rug from under me during MOASS.

(Edit: I may have gotten the flair wrong because on my reddit app all the flairs have missing font placeholders, please correct if necessary)