

09 CV 3884

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GEORGE GERSON, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

DEUTSCHE BANK AG, DEUTSCHE BANK
CAPITAL FUNDING TRUST VIII,
DEUTSCHE BANK CAPITAL FUNDING
LLC VIII, DEUTSCHE BANK
CONTINGENT CAPITAL TRUST II,
DEUTSCHE BANK CONTINGENT
CAPITAL LLC II, DEUTSCHE BANK
CAPITAL FUNDING TRUST IX,
DEUTSCHE BANK CAPITAL FUNDING
LLC IX, DEUTSCHE BANK CAPITAL
FUNDING TRUST X, DEUTSCHE BANK
CAPITAL FUNDING LLC X, DEUTSCHE
BANK CONTINGENT CAPITAL TRUST III,
DEUTSCHE BANK CONTINGENT
CAPITAL LLC III, DEUTSCHE BANK
CONTINGENT CAPITAL TRUST V,
DEUTSCHE BANK CONTINGENT
CAPITAL LLC V, JOSEF ACKERMANN,
ANTHONY DI IORIO, HUGO BANZIGER,
TESSEN VON HEYDEBRECK, HERMANN-
JOSEF LAMBERTI, MARTIN EDELMANN,
PETER STURZINGER, DETLEF BINDERT,
MARCO ZIMMERMANN, DEUTSCHE
BANK SECURITIES INC., UBS
SECURITIES LLC, CITIGROUP GLOBAL
MARKETS INC., MERRILL LYNCH,
PIERCE, FENNER & SMITH
INCORPORATED, WACHOVIA CAPITAL
MARKETS, LLC, MORGAN STANLEY &
CO. INCORPORATED, BANC OF
AMERICA SECURITIES LLC KPMG
DEUTSCHE TREUHAND-GESELLSCHAFT
and KPMG INTERNATIONAL,

Defendants.

x
Civil Action No.

:
: CLASS ACTION

:
: COMPLAINT FOR VIOLATION OF THE
: FEDERAL SECURITIES LAWS

x
DEMAND FOR JURY TRIAL

FILED
APR 17 2009
S.D.N.Y.

NATURE OF THE ACTION

1. This is a securities class action on behalf of all persons who acquired preferred securities pursuant or traceable to a materially false and misleading registration statement filed with the United States Securities and Exchange Commission (“SEC”) by Deutsche Bank AG (“DB” or the “Company”) on October 10, 2006 (the “Registration Statement”).¹ This action asserts strict liability claims under the Securities Act of 1933 (“1933 Act”) against DB, certain of its subsidiaries, its senior insiders, the investment banks that underwrote the offerings of the securities pursuant to the Registration Statement, and DB’s auditor (collectively, “defendants”).

2. DB is an investment bank headquartered in Frankfurt am Main, Germany, which has offices in the United States and in this District.

3. From October of 2006 through May of 2008, DB consummated offerings of the Securities pursuant to the false and misleading Registration Statement (the “Offerings”), selling over 248 million shares of the Securities at \$25 per share for proceeds of more than \$6.2 billion.

4. The true facts which were omitted from the Registration Statement were:

(a) The Company failed to properly record provisions for credit losses, residential mortgage-backed securities, commercial real estate loans, and exposure to monoline insurers;

¹ The securities at issue (collectively, the “Securities”) are the: 6.375% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust VIII (“6.375% Securities”) offered in October 2006; 6.55% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust II (“6.55% Securities”) offered in May 2007; 6.625% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust IX (“6.625% Securities”) offered in July 2007; 7.35% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust X (“7.35% Securities”) offered in November 2007; 7.60% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust III (“7.60% Securities”) offered in February 2008; and 8.05% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust V (“8.05% Securities”) offered in May 2008.

(b) The Company's internal controls were inadequate to prevent it from improperly recording provisions for credit losses, residential mortgage-backed securities, commercial real estate loans, and the Company's exposure to monoline insurers;

(c) The Company's internal risk management systems were inadequate to limit the Company's exposure to credit trading, equity derivatives, and proprietary equity trading; and

(d) The Company was not as well capitalized as represented, and, notwithstanding the billions of dollars raised in the Offerings, the Company would have to raise an additional €10 billion by selling equity in the Company to the German government.

5. After the Offerings, on January 14, 2009, DB issued a press release which stated:

Deutsche Bank today announced, on a preliminary and unaudited basis, key elements of its fourth quarter 2008 financial performance:

- **Fourth-quarter loss:** The bank currently anticipates a loss after taxes in the region of EUR 4.8 billion for the fourth quarter 2008. This development reflects exceptional market conditions, which severely impacted results in the sales and trading businesses, most notably in Credit Trading including its proprietary trading business, Equity Derivatives and Equities Proprietary Trading. The result also reflects exposure reduction and other de-risking measures, a significant increase in provisions against certain of our monoline counterparties, and certain other exceptional gains and charges, including reorganisation charges. In Asset and Wealth Management, the bank anticipates a fourth quarter loss driven by an impairment charge on intangible assets related to DWS Scudder and substantial injections into money market funds.

* * *

Dr. Josef Ackermann, Chairman of the Management Board, said: "We are very disappointed at this fourth quarter result, which leads to a loss for the year. The exceptionally difficult market environment of the quarter exposed some weaknesses in our platform, and we have determined a number of measures to address these weaknesses. Implementation of these measures is already underway.

6. As a result of this disclosure, the prices of the Securities plunged dramatically.

JURISDICTION AND VENUE

7. The claims asserted herein arise under and pursuant to §§11, 12(a)(2) and 15 of the 1933 Act [15 U.S.C. §§77k, 77l(a)(2) and 77o]. In connection with the acts complained of, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

8. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and §22 of the 1933 Act.

9. Venue is proper in this District pursuant to 28 U.S.C. §1391(b), because the underwriter defendants conduct business in this District and many of the acts and practices complained of herein occurred in substantial part in this District.

10. In connection with the acts alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

PARTIES

11. Plaintiff George Gerson acquired the Securities pursuant or traceable to the Registration Statement as set forth in the attached certification and has been damaged thereby.

12. Defendant DB is a global financial services firm headquartered in Frankfurt am Main, Germany. DB guaranteed the Securities issued in the Offerings.

13. Defendant Deutsche Bank Capital Funding Trust VIII (“DB Trust VIII”) is a Delaware statutory trust formed for the purpose of issuing the 6.375% Securities. DB Trust VIII used the proceeds from the October 2006 offering to buy a class of preferred securities issued by Deutsche Bank Capital Funding LLC VIII. Its principal offices are in New York, New York.

14. Defendant Deutsche Bank Capital Funding LLC VIII (“DB Capital VIII”) is a Delaware limited liability company and sponsor of DB Trust VIII. Its principal offices are in New York, New York. DB Capital VIII issued and sold the 6.375% Securities to DB Trust VIII, issued and sold one preferred security of a separate class to DB, and issued and sold one common security representing a limited liability company interest in DB Capital VIII to DB.

15. Defendant Deutsche Bank Contingent Capital Trust II (“DB Trust II”) is a Delaware statutory trust formed for the purpose of issuing the 6.55% Securities. DB Trust II used the proceeds from the May 2007 offering to buy a class of preferred securities issued by Deutsche Bank Contingent Capital LLC II. Its principal offices are in New York, New York.

16. Defendant Deutsche Bank Contingent Capital LLC II (“DB Capital II”) is a Delaware limited liability company and sponsor of DB Trust II. Its principal offices are in New York, New York. DB Capital II issued and sold the 6.55% Securities to DB Trust II, issued and sold one preferred security of a separate class to DB, and issued and sold one common security representing a limited liability company interest in DB Capital II to DB.

17. Defendant Deutsche Bank Capital Funding Trust IX (“DB Trust IX”) is a Delaware statutory trust with its principal offices in New York, New York. DB Trust IX was formed for the purpose of issuing 6.625% Securities. DB Trust IX used the proceeds from the July 2007 offering to buy the Class B preferred securities issued by Deutsche Bank Capital Funding LLC IX.

18. Defendant Deutsche Bank Capital Funding LLC IX (“DB Capital IX”) is a Delaware limited liability company with its principal offices in New York, New York. DB Capital IX issued and sold the 6.625% Securities to DB Trust IX, issued and sold one Class A preferred security to DB, and issued and sold the Class A preferred security representing a limited liability company interest in DB Capital IX to DB.

19. Defendant Deutsche Bank Capital Funding Trust X (“DB Trust X”) is a Delaware statutory trust formed for the purpose of issuing the 7.35% Securities. DB Trust X used the proceeds from the November 2007 offering to buy a class of preferred securities issued by Deutsche Bank Capital Funding LLC X. Its principal offices are in New York, New York.

20. Defendant Deutsche Bank Capital Funding LLC X (“DB Capital X”) is a Delaware limited liability company and sponsor of DB Trust X. Its principal offices are in New York, New York. DB Capital X issued and sold the 7.35% Securities to DB Trust X, issued and sold one preferred security of a separate class to DB, and issued and sold one common security representing a limited liability company interest in DB Capital X to DB.

21. Defendant Deutsche Bank Contingent Capital Trust III (“DB Trust III”) is a Delaware statutory trust formed for the purpose of issuing the 7.60% Securities. DB Trust III used the proceeds from the February 2008 offering to buy a class of preferred securities issued by Deutsche Bank Contingent Capital LLC III. Its principal offices are in New York, New York.

22. Defendant Deutsche Bank Contingent Capital LLC III (“DB Capital III”) is a Delaware limited liability company and sponsor of DB Trust III. Its principal offices are in New York, New York. DB Capital III issued and the 7.60% Securities to DB Trust III, and invested the proceeds in a perpetual subordinated note issued by DB.

23. Defendant Deutsche Bank Contingent Capital Trust V (“DB Trust V”) is a Delaware statutory trust formed for the purpose of issuing the 8.05% Securities. DB Trust V used the proceeds from the May 2008 offering to buy a class of preferred securities issued by Deutsche Bank Contingent Capital LLC V. Its principal offices are in New York, New York.

24. Defendant Deutsche Bank Contingent Capital LLC V (“DB Capital V”) is a Delaware limited liability company and sponsor of DB Trust V. Its principal offices are in New York, New

York. DB Capital V issued and sold the 8.05% Securities to DB Trust V, issued and sold one security of a separate class of preferred securities to DB, and issued one common security representing a limited liability company interest in DB Capital V to DB.

25. Defendant Josef Ackermann ("Ackermann") is, and at all relevant times was, Chairman of the Management Board of DB. Ackermann signed the false and misleading Registration Statement.

26. Defendant Anthony Di Iorio ("Di Iorio") was, at all relevant times, Chief Financial Officer ("CFO") and a member of the Management Board of DB. Di Iorio retired in September 2008. Di Iorio signed the false and misleading Registration Statement.

27. Defendant Hugo Banziger ("Banziger") is, and at all relevant times was, Chief Risk Officer and a member of the Management Board of DB. Banziger signed the false and misleading Registration Statement.

28. Defendant Hermann-Josef Lamberti ("Lamberti") is, and at all relevant times was, Chief Operating Officer ("COO") and a member of the Management Board of DB. Lamberti signed the false and misleading Registration Statement.

29. Defendant Martin Edelmann ("Edelmann") is, and at all relevant times was, a Managing Director of DB. Edelmann signed the false and misleading Registration Statement.

30. Defendant Peter Sturzinger ("Sturzinger") is, and at all relevant times was, an authorized representative in the United States of DB. Sturzinger signed the false and misleading Registration Statement.

31. Defendant Marco Zimmermann ("Zimmermann") was, at relevant times, Vice President of DB. Zimmermann signed the false and misleading Registration Statement.

32. Defendant Detlef Bindert (“Bindert”) was, at relevant times, a Managing Director of DB Trust VIII. Bindert signed the false and misleading Registration Statement.

33. Defendant Tessen von Heydebreck (“von Heydebreck”) was, at all relevant times, Chief Administrative Officer and a member of the Management Board of DB. Von Heydebreck left the Management Board in May 2007. Von Heydebreck signed the false and misleading Registration Statement.

34. The defendants named above in ¶¶25-33 are referred to herein as the “Individual Defendants.”

35. Defendant Deutsche Bank Securities Inc. (“DB Securities”) is the investment banking arm of DB. DB Securities acted as an underwriter in connection with the Offerings.

36. Defendant UBS Securities LLC (“UBS”) is the U.S. investment banking and securities arm of UBS Investment Bank. UBS Investment Bank provides a range of financial products and services worldwide. Except for the May 2008 offering, UBS acted as an underwriter in connection with the Offerings.

37. Defendant Citigroup Global Markets Inc. (“Citigroup”) is a large integrated financial services institution that through subsidiaries and divisions provides commercial and investment banking services, commercial loans to corporate entities, and acts as underwriter in the sale of corporate securities. Except for the May 2008 offering, Citigroup acted as an underwriter in connection with the Offerings.

38. Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”) provides capital markets services, investment banking and advisory services, wealth management, asset management, insurance, banking and related products and services on a global basis. Except for the May 2008 offering, Merrill Lynch acted as an underwriter in connection with the Offerings.

39. Defendant Wachovia Capital Markets, LLC (“Wachovia Capital”) is the corporate and investment banking side of brokerage firm Wachovia Securities (both companies are subsidiaries of banking giant Wachovia). Wachovia Capital provides financial and corporate advisory services, private capital, debt private placement, mergers and acquisitions advice, underwriting, and equity investing. It also offers real estate financing, risk management services, and structured products such as asset-backed and mortgage-backed securities. Except for the May 2008 offering, Wachovia Capital acted as an underwriter in connection with the Offerings.

40. Defendant Morgan Stanley & Co. Incorporated (“Morgan Stanley”) is a global financial services firm that, through its subsidiaries and affiliates, provides its products and services to customers, including corporations, governments, financial institutions and individuals. Morgan Stanley assists public and private corporations in raising funds in the capital markets (both equity and debt), as well as in providing strategic advisory services for mergers, acquisitions and other types of financial transactions. Except for the May 2008 offering, Morgan Stanley acted as an underwriter in connection with the Offerings.

41. Defendant Banc of America Securities LLC (“Banc of America”) is the investment banking arm of Bank of America. Banc of America offers trading and brokerage services; debt and securities underwriting; debt and equity research; and advice on public offerings, leveraged buyouts, and mergers and acquisitions. Except for the May 2008 offering, Banc of America acted as an underwriter in the Offerings.

42. Pursuant to the 1933 Act, the defendants referenced in ¶¶35-41 above are referred to herein as the “Underwriter Defendants.”

43. The Underwriter Defendants are *strictly liable* for the false and misleading statements in the Registration Statement. In connection with the Offerings, the Underwriter Defendants drafted

and disseminated the Registration Statement and were paid fees in connection therewith. The Underwriter Defendants' failure to conduct an adequate due diligence investigation was a substantial factor leading to the harm complained of herein.

44. Defendant KPMG International is the parent of defendant KPMG Deutsche Treuhand-Gesellschaft (collectively, "KPMG") an audit, tax and advisory firm that served as the Company's auditor during the relevant period and, with its consent, was named as having certified a portion of the Registration Statement, as well as the financial statements in DB's Form 20-F Annual Reports filed with the SEC.

CLASS ACTION ALLEGATIONS

45. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons or entities who acquired the Securities pursuant or traceable to the Company's false and misleading Registration Statement issued in connection with the Company's Offerings and who were damaged thereby (the "Class"). Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

46. The members of the Class are so numerous that joinder of all members is impracticable. The Securities were actively traded on the New York Stock Exchange ("NYSE"). While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes that there are hundreds of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by DB or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

47. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class were similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

48. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

49. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are: whether the 1933 Act was violated by defendants' acts as alleged herein; whether statements made by defendants to the investing public in the Registration Statement misrepresented material facts about the business, operations and management of DB; and to what extent the members of the Class have sustained damages and the proper measure of damages.

50. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

**THE FALSE AND DEFECTIVE REGISTRATION STATEMENT AND
PROSPECTUSES**

51. On or about October 10, 2006, DB filed with the SEC the Form F-3 Registration Statement and Prospectus using a "shelf" registration or continuous offering process. Pursuant to that process, the Registration Statement permitted DB to sell securities in one or more offerings going forward after a prospectus supplement to the Registration Statement was filed for each offering. The

Registration Statement reported, as of June 30, 2006, shareholder equity of €29 billion. The Registration Statement also incorporated other SEC filings by reference, as follows:

The SEC allows us to “incorporate by reference” much of the information we file with the SEC, which means that we can disclose important information to you by referring you to those publicly available documents. The information that we incorporate by reference in this prospectus is an important part of this prospectus. Because we are incorporating by reference future filings with the SEC, this prospectus is continually updated and those future filings may modify or supersede some of the information included or incorporated in this prospectus. This means that you must look at all of the SEC filings that we incorporate by reference to determine if any of the statements in this prospectus or in any document previously incorporated by reference have been modified or superseded. This prospectus incorporates by reference the documents listed below and any future filings we make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act.

52. The Registration Statement also contained the following statement from KPMG:

Consent of Independent Registered Public Accounting Firm

To the Supervisory Board of Deutsche Bank Aktiengesellschaft:

We consent to the incorporation by reference in the Registration Statement as filed with the Securities and Exchange Commission on October 10, 2006 of Deutsche Bank Aktiengesellschaft, Deutsche Bank Capital Funding LLC VIII and Deutsche Bank Capital Funding Trust VIII of our audit report dated March 9, 2006 with respect to the consolidated balance sheets of Deutsche Bank Aktiengesellschaft and subsidiaries (the “Company”) as of December 31, 2005 and 2004, and the related consolidated statements of income, comprehensive income, changes in shareholders’ equity, and cash flows for each of the years in the three-year period ended December 31, 2005, and to the reference to our firm under the heading “Independent Registered Public Accounting Firm” in the prospectus.

Our audit report refers to the fact that the Company adopted FASB Interpretation No. 46 “Consolidation of Variable Interest Entities” and Statement of Financial Accounting Standards No. 150 “Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity” during 2003.

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

Frankfurt am Main (Germany)
October 10, 2006

53. On or about October 13, 2006, DB filed, pursuant to Rule 424(b)(2) of the 1933 Act, the prospectus supplement to the Registration Statement for the offering of the 6.375% Securities (the "October 2006 Prospectus"). The October 2006 Prospectus reported DB shareholder equity of €29 billion and net income for the six months ended June 30, 2006 of €2.9 billion.

54. The October 2006 Prospectus incorporated by reference the Form 20-F Annual Report for the year 2005 that DB filed with the SEC on March 23, 2006 (the "2005 20-F").

Regarding the Company's risk management in general, the 2005 20-F stated:

- Our Management Board provides overall risk management supervision for our consolidated Group as a whole. Our Supervisory Board regularly monitors our risk profile.
- We manage credit, market, liquidity, operational, business and reputational risks in a coordinated manner at all relevant levels within our organization. This also holds true for complex products which we typically manage within our framework established for trading exposures.
- The structure of our risk management function is closely aligned with the structure of our Group Divisions.
- The risk management function is independent of our Group Divisions.

* * *

For each of our Group Divisions, risk management units are established with the mandate to:

- Ensure that the business conducted within each division is consistent with the risk appetite the Group Risk Committee has set;
- Formulate and implement risk policies, procedures and methodologies that are appropriate to the businesses within each division;
- Approve credit risk and market risk limits;
- Conduct periodic portfolio reviews to ensure that the portfolio of risks is within acceptable parameters; and
- Develop and implement risk management infrastructures and systems that are appropriate for each division.

55. Regarding credit risk specifically, the 2005 20-F stated:

– Credit risk arises from all transactions that give rise to actual, contingent or potential claims against any counterparty, obligor or borrower (which we refer to collectively as “counterparties”). This is the largest single risk we face.

* * *

Credit Risk Ratings

A primary element of the credit approval process is a detailed risk assessment of every credit exposure associated with an obligor. Our risk assessment procedures consider both the creditworthiness of the counterparty and the risks related to the specific type of credit facility or exposure. This risk assessment not only affects the structuring of the transaction and the outcome of the credit decision, but also influences the level of decision-making authority required to extend or materially change the credit and the monitoring procedures we apply to the ongoing exposure.

We have our own in-house assessment methodologies, scorecards and rating scale for evaluating the creditworthiness of our counterparties. Our granular 26-grade rating scale, which is calibrated on a probability of default measure based upon a statistical analysis of historical defaults in our portfolio, enables us to compare our internal ratings with common market practice and ensures comparability between different sub-portfolios of our institution. While we generally rate all our credit exposures individually, at times we rely on rating averages for measuring risk. When we assign our internal risk ratings, we compare them with external risk ratings assigned to our counterparties by the major international rating agencies, where possible.

56. Regarding market risk, the 2005 20-F stated:

Market Risk Management Framework

We assume market risk in both our trading and our nontrading activities. We assume risk by making markets and taking positions in debt, equity, foreign exchange, other securities and commodities as well as in equivalent derivatives.

We use a combination of risk sensitivities, value-at-risk, stress testing and economic capital metrics to manage market risks and establish limits. Economic capital is the metric we use to describe and aggregate all our market risks, both in trading and nontrading portfolios. Value-at-risk is a common metric we use in the management of our trading market risks.

Our Management Board and Group Risk Committee, supported by Group Market Risk Management, which is part of our independent risk management function, set a Group-wide value-at-risk limit for the market risks in the trading book. Group Market Risk Management sub-allocates this overall limit to our Group Divisions. Below that, limits are allocated to specific business lines and trading portfolio groups and geographical regions.

57. The 2005 20-F also included the following statement by KPMG:

Report of Independent Registered Public Accounting Firm

The Supervisory Board of
Deutsche Bank Aktiengesellschaft

We have audited the accompanying consolidated balance sheets of Deutsche Bank Aktiengesellschaft and subsidiaries (the "Company") as of December 31, 2005 and 2004, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2005. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Deutsche Bank Aktiengesellschaft and subsidiaries as of December 31, 2005 and 2004, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

As discussed in Note [2] to the consolidated financial statements, the Company adopted FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" and Statement of Financial Accounting Standards No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" during 2003.

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

Frankfurt am Main (Germany)
March 9, 2006

58. On October 18, 2006, defendants sold at least 24 million 6.375% Securities to the public at \$25.00 per share pursuant to the Registration Statement.

59. On or about May 16, 2007, DB filed, pursuant to Rule 424(b)(2) of the 1933 Act, the prospectus supplement to the Registration Statement for the offering of the 6.55% Securities (the "May 2007 Prospectus").

60. The May 2007 Prospectus incorporated by reference the Form 20-F Annual Report for the year 2006 that DB filed with the SEC on March 23, 2007 (the "2006 20-F").

61. The 2006 20-F stated in part:

CREDIT RISK RATINGS

A primary element of the credit approval process is a detailed risk assessment of every credit exposure associated with a counterparty. Our risk assessment procedures consider both the creditworthiness of the counterparty and the risks related to the specific type of credit facility or exposure. This risk assessment not only affects the structuring of the transaction and the outcome of the credit decision, but also influences the level of decision-making authority required to extend or materially change the credit and the monitoring procedures we apply to the ongoing exposure.

We have our own in-house assessment methodologies, scorecards and rating scale for evaluating the creditworthiness of our counterparties. Our granular 26-grade rating scale, which is calibrated on a probability of default measure based upon a statistical analysis of historical defaults in our portfolio, enables us to compare our internal ratings with common market practice and ensures comparability between different sub-portfolios of our institution. While we generally rate all our credit exposures individually, at times we rely on rating averages for measuring risk. When we assign our internal risk ratings, we compare them with external risk ratings assigned to our counterparties by the major international rating agencies, where possible.

62. Regarding market risk specifically, the 2006 20-F stated:

MARKET RISK MANAGEMENT FRAMEWORK

We assume market risk in both our trading and our nontrading activities. We assume risk by making markets and taking positions in debt, equity, foreign exchange, other securities and commodities as well as in equivalent derivatives.

We use a combination of risk sensitivities, value-at-risk, stress testing and economic capital metrics to manage market risks and establish limits. Economic capital is the metric we use to describe and aggregate all our market risks, both in trading and nontrading portfolios. Value-at-risk is a common metric we use in the management of our trading market risks.

* * *

Our Management Board and Risk Executive Committee, supported by Market Risk Management, which is part of our independent risk and capital management function, set a Group-wide value-at-risk limit for the market risks in the trading book. Market Risk Management sub-allocates this overall limit to our Group Divisions. Below that, limits are allocated to specific business lines and trading portfolio groups and geographical regions.

Our value-at-risk disclosure for the trading businesses is based on our own internal value-at-risk model. In October 1998, the German Banking Supervisory Authority (now the BaFin) approved our internal value-at-risk model for calculating the market risk capital for our general and specific market risks. Since then the model has been periodically reviewed and approval has been maintained.

Our value-at-risk disclosure is intended to ensure consistency of market risk reporting for internal risk management, for external disclosure and for regulatory purposes.

63. The 2006 20-F also included the following statement by KPMG:

Consent of Independent Registered Public Accounting Firm

The Supervisory Board of
Deutsche Bank Aktiengesellschaft

We consent to the incorporation by reference in the registration statements (No. 333-97257, 333-100246 and 333-117705) on Form S-8 and on Form F-3 (No. 333-137902) of Deutsche Bank Aktiengesellschaft of our reports dated March 9, 2007, with respect to the consolidated balance sheets of Deutsche Bank Aktiengesellschaft and subsidiaries (the "Company") as of December 31, 2006 and 2005, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2006, management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2006 and the effectiveness of internal control over financial reporting as of December 31, 2006, which reports appear in the December 31, 2006, annual report on Form 20-F of Deutsche Bank Aktiengesellschaft.

Our report with respect to the consolidated balance sheets of the Company as of December 31, 2006 and 2005, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2006 refers to the fact the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004) "Share-Based Payment" and Statement of Financial Accounting Standards No. 158 "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans" during 2006.

KPMG Deutsche Treuhand-Gesellschaft
Aktiengesellschaft Wirtschaftsprüfungsgesellschaft

64. On May 21, 2007, defendants sold at least 32 million 6.55% Securities to the public at \$25.00 per share pursuant to the Registration Statement.

65. On or about July 16, 2007, DB filed, pursuant to Rule 424(b)(2) of the Securities Act, the prospectus supplement to the Registration Statement for the offering of the 6.625% Securities (the "July 2007 Prospectus").

66. The July 2007 Prospectus incorporated by reference the 2006 20-F Annual Report quoted above. The July 2007 Prospectus also reported DB shareholder equity of €29 billion and net income for the six months ended June 30, 2006 of €2.9 billion.

67. On or about July 20, 2007, defendants sold at least 40 million 6.625% Securities to the public at \$25.00 per share pursuant to the Registration Statement.

68. On or about November 6, 2007, DB filed, pursuant to Rule 424(b)(2) of the 1933 Act, the prospectus supplement to the Registration Statement for the offering of the 7.35% Securities (the "November 2007 Prospectus"). The November 2007 Prospectus reported DB shareholder equity of €29 billion and net income for the six months ended June 30, 2006 of €2.9 billion and incorporated by reference DB's 2006 20-F Annual Report quoted above.

69. On November 7, 2007, defendants sold at least 32.2 million 7.35% Securities to the public at \$25.00 per share pursuant to the Registration Statement and November 2007 Prospectus.

70. On or about February 12, 2008, DB filed, pursuant to Rule 424(b)(2) of the 1933 Act, the prospectus supplement to the Registration Statement for the offering of the 7.60% Securities (the "February 2008 Prospectus"). The February 2008 Prospectus stated:

We are the largest bank in Germany and one of the largest financial institutions in Europe and the world measured by total assets. As of September 30, 2007, on an unaudited basis, we had total assets of €1,879 billion, total liabilities of

€1,841 billion and total shareholders' equity of €36.8 billion, in each case on the basis of IFRS.

As of September 30, 2007, our outstanding share capital amounted to €1,353 million consisting of 528.4 million ordinary shares of no par value, of which 499.1 million were outstanding.

71. The February 2008 Prospectus incorporated by reference DB's 2006 20-F Annual Report quoted above.

72. On February 7, 2008, DB filed a Form 6-K with the SEC which was incorporated into the February 2008 Prospectus by reference. That 6-K attached a press release from the Company dated the same day that stated:

For the year 2007, income before income taxes was EUR 8.7 billion, up 5% versus the year 2006, and revenues were EUR 30.7 billion, up 8%. Net income for the year was EUR 6.5 billion, up 7% versus 2006. Pre-tax return on average active equity was 29%, versus 33% in 2006. Average active equity was EUR 29.8 billion in 2007, versus EUR 25.5 billion in 2006. Diluted earnings per share were EUR 13.05, up 14% versus EUR 11.48 in 2006. Per the Group's target definition, which excludes certain significant gains and charges, pre-tax return on average active equity was 26%, while diluted earnings per share were EUR 10.79. The Management Board has recommended a dividend of EUR 4.50 per share, up 50 cents or 12.5% versus 2006.

For the fourth quarter 2007, income before income taxes was EUR 1.4 billion, down 25% versus the fourth quarter 2006. Net income was EUR 1.0 billion, down 47% versus the fourth quarter 2006. The fourth quarter 2006 included EUR 355 million of tax credits arising from changes in German tax law. Fourth quarter pre-tax return on average active equity was 18%, and diluted earnings per share were EUR 1.93.

Dr. Josef Ackermann, Chairman of the Management Board, said: "I am pleased to report robust earnings for the fourth quarter, which concludes one of our best years ever and a year of solid performance in challenging times. In 2007 we clearly strengthened our competitive position and delivered another year of profit growth while simultaneously maintaining our capital strength. This performance enables us to recommend to our shareholders another increase in our dividend, to EUR 4.50 per share."

He added: "In the fourth quarter, we again demonstrated the quality of our risk management. We had no net write-downs related to sub-prime, CDO or RMBS exposures. Those trading businesses in which we reported losses in the third quarter produced a positive result in the fourth quarter. In leveraged finance, where we had

significant write-downs in the third quarter, net write-downs in the fourth quarter were less than EUR 50 million.”

Dr. Ackermann concluded: “Looking forward, we expect conditions to remain challenging in 2008. Uncertainties in the macro-economic environment are likely to affect capital markets-related businesses. Nevertheless, we remain focused on growing our platform and gaining market share. Our strategy and business model have proven themselves. Our capital base is stronger than ever. Notwithstanding short-term uncertainties, the longer-term trends shaping our industry are moving in our direction. We have shown resilience in 2007. We face the future with confidence. As a result, we re-affirm our vision of delivering a pre-tax profit of EUR 8.4 billion in 2008.”

73. On February 11, 2008, DB filed an amendment to the Registration Statement which stated:

EXPLANATORY NOTE

The purpose of this post-effective amendment is to add two registrants (Deutsche Bank Contingent Capital LLC III and Deutsche Bank Contingent Capital Trust III) to the Registration Statement No. 333-137902, filed with the Securities and Exchange Commission on October 10, 2006 (the “Registration Statement”), and to file as exhibits to such Registration Statement documents relating to these registrants.

74. On February 12, 2008, defendants sold at least 70 million shares of the 7.60% Securities to the public at \$25.00 per share pursuant to the Registration Statement.

75. On or about May 1, 2008, DB filed, pursuant to Rule 424(b)(2) of the 1933 Act, the prospectus supplement to the Registration Statement for the offering of the 8.05% Securities (the “May 2008 Prospectus”). The May 2008 Prospectus reported DB shareholder equity of €29 billion and net income for the six months ended June 30, 2006 of €2.9 billion.

76. The May 2008 Prospectus incorporated by reference DB’s 2006 20-F quoted above.

77. The May 2008 Prospectus also incorporated by reference DB’s Form 20-F Annual Report for the year 2007 (“2007 20-F”). The 2007 20-F stated:

In 2007, income before income tax expense was € 8.7 billion, a 5 % increase over 2006, and revenues were €30.7 billion, up 8 %. We reported a pre-tax return on average active equity of 29 % in 2007 and 33 % in 2006, with the decline due largely to an increase in average active equity to €29.8 billion in 2007 versus € 25.5 billion

in 2006 (pre-tax return on average shareholders' equity was 24 % and 28 %, for 2007 and 2006, respectively). In 2007, net income was € 6.5 billion, up 7 % versus 2006. Diluted earnings per share increased by 14 % to € 13.05.

Total CIB net revenues advanced by 2 % to € 19.1 billion, with increases in transaction services and advisory offsetting a decline in Origination (debt), mainly related to leveraged finance activities.

* * *

– Our Management Board provides overall risk and capital management supervision for our consolidated Group as a whole. Our Supervisory Board regularly monitors our risk and capital profile.

– We manage credit, market, liquidity, operational, business, legal and reputational risks as well as our capital in a coordinated manner at all relevant levels within our organization. This also holds true for complex products which we typically manage within our framework established for trading exposures.

– The structure of our legal, risk & capital function is closely aligned with the structure of our group divisions.

– The legal, risk & capital function is independent of our group divisions.

* * *

Dedicated legal, risk & capital units are established with the mandate to:

– Ensure that the business conducted within each division is consistent with the risk appetite that the Capital and Risk Committee has set;

– Formulate and implement risk and capital management policies, procedures and methodologies that are appropriate to the businesses within each division;

– Approve credit risk, market risk and liquidity risk limits;

– Conduct periodic portfolio reviews to ensure that the portfolio of risks is within acceptable parameters; and Develop and implement risk and capital management infrastructures and systems that are appropriate for each division.

* * *

CREDIT RISK RATINGS

A primary element of the credit approval process is a detailed risk assessment of every credit exposure associated with a counterparty. Our risk assessment procedures consider both the creditworthiness of the counterparty and the risks related to the specific type of credit facility or exposure. This risk assessment not only affects the structuring of the transaction and the outcome of the credit decision, but also influences the level of decision-making authority required to extend or materially change the credit and the monitoring procedures we apply to the ongoing exposure.

We have our own in-house assessment methodologies, scorecards and rating scale for evaluating the creditworthiness of our counterparties. Our granular 26-grade rating scale, which is calibrated on a probability of default measure based upon a statistical analysis of historical defaults in our portfolio, enables us to compare our internal ratings with common market practice and ensures comparability between different sub-portfolios of our institution. Several default ratings therein enable us to incorporate the potential recovery rate of defaulted exposure. We generally rate all our credit exposures individually. When we assign our internal risk ratings, we compare them with external risk ratings assigned to our counterparties by the major international rating agencies, where possible.

* * *

MARKET RISK MANAGEMENT FRAMEWORK

We assume market risk in both our trading and our nontrading activities. We assume risk by making markets and taking positions in debt, equity, foreign exchange, other securities and commodities as well as in equivalent derivatives.

We use a combination of risk sensitivities, value-at-risk, stress testing and economic capital metrics to manage market risks and establish limits. Economic capital is the metric we use to describe and aggregate all our market risks, both in trading and nontrading portfolios. Value-at-risk is the primary metric we use in the management of our trading market risks. Our risk sensitivities, value-at-risk, stress testing and economic capital metrics also reflect basis risks arising from our trading activities.

Our Management Board and Risk Executive Committee, supported by Market Risk Management, which is part of our independent legal, risk & capital function, set a Group-wide value-at-risk limit for the market risks in the trading book. Market Risk Management sub-allocates this overall limit to our group divisions. Below that, limits are allocated to specific business lines and trading portfolio groups and geographical regions.

78. The May 2008 Prospectus also incorporated by reference a Form 6-K that DB filed with the SEC on April 29, 2008, which reported DB's financial results for the quarter ending March 31, 2008. That 6-K stated:

NET REVENUES were € 4.6 billion in the quarter, versus € 9.6 billion in the first quarter of 2007. In Corporate Banking & Securities (CB&S), net revenues were € 880 million, versus € 6.1 billion in the prior year quarter. Revenues in Sales & Trading (Debt and other products) were € 1.3 billion, down from € 3.4 billion in the record prior year quarter, reflecting mark-downs on Commercial Real Estate activities and on Residential Mortgage-Backed Securities, together with significantly lower revenues in the credit trading business. This development was to some extent counterbalanced by substantial year-on-year revenue growth in foreign exchange and money market trading, core fixed income trading and commodities trading. Revenues in Sales & Trading (Equity) were € 745 million, down from € 1.7 billion in the prior year quarter, reflecting significantly lower revenues in equity derivatives trading and a modest loss in designated equity proprietary trading. Revenues in cash equities were somewhat below the exceptional levels of the prior year quarter, while revenues in prime services were ahead of the prior year quarter. Revenues in Advisory were € 128 million, down from € 250 million in the prior year quarter, while revenues in Origination (Equity) were € 85 million, down from € 146 million, both reflecting lower levels of market activity. Revenues in Origination (Debt) were negative € 1.4 billion, versus € 401 million in the prior year quarter, primarily reflecting the mark-downs in leveraged finance of € 1.8 billion. Revenues for the quarter included a gain of € 77 million from changes in the credit spreads on certain of the firm's own debt on which the fair value option was used. The application of the fair value option on our liabilities remained unchanged from prior reporting periods. The aggregate gain recorded on our own debt since January 1, 2007 is less than € 100 million, a very modest amount by industry standards.

In Global Transaction Banking (GTB), net revenues were € 661 million, up 8 % versus the first quarter 2007, reflecting growth in client volumes which more than counterbalanced the adverse impacts of lower interest rates and a decline in the U.S. dollar exchange rate.

In Private Clients and Asset Management (PCAM), net revenues were € 2.5 billion, up 1 % versus the first quarter 2007. Revenues in Asset and Wealth Management (AWM) were € 1.0 billion, down 1 % versus the prior year quarter, reflecting modest declines in portfolio/fund management revenues. Revenues in Private & Business Clients (PBC) were up 2 % to a record € 1.5 billion, with growth in revenues from insurance-related products offsetting a decline in brokerage and portfolio/fund management revenues.

Revenues in Corporate Investments (CI) were € 705 million, principally reflecting gains on the sale of shares in Daimler AG, Allianz SE and Linde AG

during the quarter, offset by mark-downs, the largest of which was on our option to acquire additional shares in Hua Xia Bank Co. Ltd. in China.

79. The Form 6-K further stated:

DISCUSSION OF GROUP RESULTS

PROVISION FOR CREDIT LOSSES was €114 million in the quarter, versus € 98 million in the first quarter 2007. In PCAM, provision for credit losses was € 125 million compared to € 117 million in the prior year quarter, predominantly reflecting PBC's strategy of growth in consumer finance. In CIB, net releases were € 11 million, compared to net releases of € 20 million in the prior year quarter.

* * *

The TIER 1 CAPITAL RATIO, reported for the first time under the Basel II Capital Framework, was 9.2 % at the end of the quarter. The effect of the adoption of Basel II was an improvement in our Tier 1 ratio as the resulting reduction in Tier 1 capital was more than offset by lower risk-weighted assets under Basel II. At the end of the quarter, risk-weighted assets were € 303 billion, including the first quarter effect of higher risk-weighted assets for our leveraged finance loans funded for 180 days or more. Tier 1 capital was € 27.9 billion at the end of the quarter. The positive impact from the conversion of cumulative preferred securities into hybrid Tier 1 capital in the quarter was largely offset by foreign exchange rate movements, the impact of a net loss on retained earnings, and a dividend accrual equivalent to 25 % of the recommended annual dividend payment for 2007.

80. On May 5, 2008, defendants sold at least 50.6 million shares of the 8.05% Securities to the public at \$25.00 per share pursuant to the Registration Statement.

81. The Registration Statement and Prospectuses contained untrue statements of material fact or omitted to state other facts necessary to make the statements made therein not misleading and were not prepared in accordance with applicable SEC rules and regulations.

82. The true facts which were omitted from the Prospectuses and Registration Statement were:

(a) The Company failed to properly record provisions for credit losses, residential mortgage-backed securities, commercial real estate loans, and exposure to monoline insurers;

(b) The Company's internal controls were inadequate to prevent it from improperly recording provisions for credit losses, residential mortgage-backed securities, commercial real estate loans, and the Company's exposure to monoline insurers;

(c) The Company's internal risk management systems were inadequate to limit the Company's exposure to credit trading, equity derivatives, and proprietary equity trading; and

(d) The Company was not as well capitalized as represented, and, notwithstanding the billions of dollars raised in the Offerings, the Company would have to raise an additional €10 billion by selling equity in the Company to the German government.

THE TRUTH BEGINS TO COME TO LIGHT

83. On January 14, 2009, DB issued a press release entitled "Deutsche Bank provides update on fourth quarter 2008 performance," which stated in part:

Deutsche Bank today announced, on a preliminary and unaudited basis, key elements of its fourth quarter 2008 financial performance:

- **Fourth-quarter loss:** The bank currently anticipates a loss after taxes in the region of EUR 4.8 billion for the fourth quarter 2008. This development reflects exceptional market conditions, which severely impacted results in the sales and trading businesses, most notably in Credit Trading including its proprietary trading business, Equity Derivatives and Equities Proprietary Trading. The result also reflects exposure reduction and other de-risking measures, a significant increase in provisions against certain of our monoline counterparties, and certain other exceptional gains and charges, including reorganisation charges. In Asset and Wealth Management, the bank anticipates a fourth quarter loss driven by an impairment charge on intangible assets related to DWS Scudder and substantial injections into money market funds.

* * *

Dr. Josef Ackermann, Chairman of the Management Board, said: "We are very disappointed at this fourth quarter result, which leads to a loss for the year. The exceptionally difficult market environment of the quarter exposed some weaknesses in our platform, and we have determined a number of measures to address these weaknesses. Implementation of these measures is already underway.

84. On this news, the prices of the Securities dropped significantly.

85. On February 5, 2009, the Company issued a press release entitled “Deutsche Bank reports net loss of EUR 3.9 billion for the year 2008,” which stated in part:

For the fourth quarter 2008, the bank reported a net loss of EUR 4.8 billion, compared to net income of EUR 1.0 billion in the fourth quarter 2007. The bank reported a loss before income taxes of EUR 6.2 billion, versus income before income taxes of EUR 1.4 billion in the prior year quarter.

* * *

In the Corporate and Investment Bank (CIB), net revenues were EUR 3.0 billion negative, versus EUR 4.5 billion positive in the fourth quarter 2007.

In Corporate Banking & Securities (CB&S), net revenues were EUR 3.8 billion negative in the fourth quarter, versus EUR 3.8 billion positive in the fourth quarter 2007. This development reflects negative revenues of EUR 4.8 billion in Sales & Trading, driven by significant losses in key businesses: Credit Trading (both proprietary and customer), Equity Derivatives, and Equity Proprietary Trading. These losses reflect the impact on Deutsche Bank’s business model of unprecedented levels of market volatility, correlation across asset classes, and the breakdown of historically observed relationships between asset classes, compounded by extreme illiquidity, in an exceptionally turbulent market environment.

* * *

Provision for credit losses was EUR 591 million in the fourth quarter, up 80% versus the fourth quarter 2007, and including EUR 185 million of provisions in respect of loans reclassified in accordance with amendments to IAS 39. In CIB, provision for credit losses was EUR 361 million, up 90% versus the prior year quarter, primarily reflecting provisions in respect of reclassified loans. In PCAM, provision for credit losses was EUR 229 million, up 68%, primarily in PBC reflecting a rise in provision against the backdrop of a deteriorating credit environment and business growth.

* * *

Corporate Banking & Securities (CB&S)

Deutsche Bank’s Sales & Trading businesses were severely impacted by the unprecedented market turmoil that started in September and continued to deteriorate in the fourth quarter. Many market participants, including hedge funds, were forced to liquidate substantial positions in assets such as convertibles, investment-grade and high-yield bonds, default swaps, and in long-short equity strategies. These actions drove higher volatilities and correlations in all markets and a significant dislocation in the relationship (or basis) between trading positions and their hedges.

In this challenging environment, Deutsche Bank continued to suffer significant losses in the Credit Trading business, including Credit Proprietary Trading, and Equity Proprietary Trading (EPT) books. Proprietary positions were significantly reduced in size, although market liquidity was not sufficient to eliminate risk in all cases and the bank retains some potential exposure to any further deterioration in these positions.

Sales & Trading (Debt and other products) revenues were negative EUR 2.7 billion in the fourth quarter 2008, compared to positive EUR 1.6 billion in the fourth quarter 2007.

The fourth quarter 2008 included losses in Credit Trading of EUR 3.4 billion, of which EUR 1.0 billion related to the Credit Proprietary Trading business. The losses in the Credit Proprietary Trading business were mainly driven by losses on long positions in the U.S. Automotive sector and by falling corporate and convertible bond prices and basis widening versus the Credit Default Swaps (CDS) established to hedge them. The remaining losses in the Credit Trading business were driven across many sectors as bonds were sold off and basis spreads widened, driven by significant market de-leveraging and low levels of liquidity.

Further mark-downs of EUR 1.7 billion were taken relating to additional reserves against monoline insurers (EUR 1.1 billion), driven in part by additional specific reserves related to certain insurers, and additional provisions against residential mortgage-backed securities (EUR 244 million), commercial real estate loans (EUR 214 million), and impairment losses on available for sale positions (EUR 58 million).

* * *

Sales & Trading (Equity) revenues were negative EUR 2.1 billion in the fourth quarter 2008, compared to positive EUR 1.1 billion in the same quarter 2007. In an environment characterized by severely dislocated equity markets, with unprecedented levels of volatility and very low levels of liquidity, Equity Derivatives incurred losses of EUR 1.7 billion from managing structural risks, particularly around correlation, volatility and dividend risk related to single stocks. Equity Proprietary Trading losses of EUR 413 million were driven by market-wide de-leveraging which drove down convertible values and widened basis risk.

* * *

Asset and Wealth Management (AWM)

* * *

Noninterest expenses in the fourth quarter 2008 were EUR 1.5 billion, an increase of 56%, or EUR 520 million, compared to the same quarter in 2007. The increase was primarily due to an impairment of EUR 302 million on DWS Scudder

intangible assets (compared to EUR 74 million in the fourth quarter 2007) and a goodwill impairment of EUR 270 million in a consolidated investment.

86. On February 5, 2009, on the Company's preliminary 2008 earnings conference call, defendant Ackermann made the following statements:

But we use the leverage ratio as a benchmark just to demonstrate that we take the assets serious, and have of course, contrary than what we did in the past, in the last six months very, very much focused on granular trading and balance sheet positions, and that is what we want to demonstrate.

* * *

The focus was on getting a 10% and getting the leverage ratio down and, of course, getting risk down that we start on a different platform into 2009.

* * *

[I]n the fourth quarter, after Lehman, things happen which really got to the franchise, to the core of our sales and trading business and that is primarily all this indirect risk, not the directional risk, we didn't have directional risk. That's why we were relatively strong for a long time.

But we had basis risk, we had correlation risk and so on, so on. And that is really what's got us into this difficult situation in the fourth quarter.

* * *

[T]here were two areas, prop trading where relative value strategy suffered from all that I just said, and our assumptions were wrong in this very difficult market.

Some would argue they come back and make a lot of money, it may well be. But we had a different approach we said we just can't afford that. So we get rid of it, we take the losses and want to have – start from a new platform, even if in five years from now someone says opportunity costs would have been pretty important.

The second one is scale. We have been too big, and that is something we have to work down and we will work on that, that's fine. We came down in non-derivative trading assets from EUR460b some time ago to slightly over EUR200b, and we will have a further cut in the first quarter of this year. We want to get the kind of exposure down so whatever happens we cannot have similar volatilities on our P&L.

And the last point is complexity what I said with intellectual leadership, and so we had exposure to volatility and correlation risk. Also something we have to control and monitor better.

87. On the same call, Ackermann further stated:

I think we told you many, many times that our prop trading is about 10% to 15% of our revenues. And we also felt that a relatively modest number.

But in order to, if you take 10% out of EUR15b it's only EUR1.5b. But to achieve EUR1.5b you need actually a risk allocation and a risk equivalent and capital equivalent of several times more. So let's assume it's a 20% return you need five times more so you talk about EUR7b to EUR8b.

And if you have swings, as we had, on this EUR8b you can easily lose EUR2b, EUR3b. And that is what we have seen in 2008, and something we don't want to see again.

* * *

[W]e are reducing to a minimum the highly illiquid positions. And we have closed our exclusively dedicated prop trading desks.

* * *

So the proprietary trading risk has been reduced by 90%. Then we have reduced our RMBS exposures to 50%.

* * *

Lehman came and changed the whole picture within hours. And then you couldn't move. And it shows us (inaudible) what was the most difficult part in the fourth quarter. The difficult was [sic] that you were stuck with positions you couldn't liquidate and you just saw how much value they lost every day. And normally I'm very eager to see P&L. I tell you, before Christmas, I stopped looking at it. It just was awful, every day you lost such and such much. And you couldn't move any more.

88. The February 5, 2009 conference call also included the following colloquy with investments analysts:

Matthew Clark – Keefe, Bruyette & Woods – Analyst

... Do you think you can continue to have the pretty market share of the equity derivatives market going forward if you do charge your clients more in order to compensate yourselves a bit better for the risk there?

* * *

Stefan Krause – Deutsche Bank –CFO

* * *

So one of our conclusions is not only that we were too complex and didn't have enough reserves, one conclusion is we did too much volume-wise, and that's what we're going to reduce.

COUNT I

Violations of §11 of the 1933 Act Against All Defendants

89. Plaintiff repeats and realleges each and every allegation contained above.

90. This Count is brought pursuant to §11 of the 1933 Act, 15 U.S.C. §77k, on behalf of the Class, against all defendants. For purposes of this Count, plaintiff expressly excludes and disclaims any allegation that could be construed as alleging fraud or intentional or reckless misconduct, as this Count is based solely on claims of strict liability and/or negligence under the 1933 Act.

91. The Registration Statement was false and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

92. DB was the registrant for the Offerings. As issuer of the Securities, DB is strictly liable to plaintiff and the Class for the misstatements and omissions.

93. The Individual Defendants named herein were responsible for the contents and dissemination of the Registration Statement. Each of the Individual Defendants signed or authorized the signing of the Registration Statement.

94. The Underwriter Defendants named herein were responsible for the contents and dissemination of the Registration Statement.

95. KPMG acted as DB's auditor and was named by consent as having certified a part of the Registration Statement.

96. None of the defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement were true and without omissions of any material facts and were not misleading.

97. The Registration Statement was false and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

98. By reason of the conduct herein alleged, each defendant violated, and/or controlled a person who violated, §11 of the 1933 Act.

99. Plaintiff acquired the Securities pursuant and/or traceable to the Registration Statement.

100. Plaintiff and the Class have sustained damages. At the time of their purchases of the Securities, plaintiff and other members of the Class were without knowledge of the facts concerning the wrongful conduct alleged herein and could not have reasonably discovered those facts prior to January 2009. Less than one year has elapsed from the time that plaintiff discovered or reasonably could have discovered the facts upon which this complaint is based to the time that plaintiff filed this complaint. Less than three years elapsed between the time that the securities upon which this Count is brought were offered to the public and the time plaintiff filed this complaint.

COUNT II

**Violations of §12(a)(2) of the 1933 Act
Against Defendants DB Trust VIII, DB Capital VIII, DB Trust II, DB Capital II,
DB Trust X, DB Capital X, DB Trust IX, DB Capital IX, DB Trust III, DB Capital III,
DB Trust V, DB Capital V and the Underwriter Defendants**

101. Plaintiff repeats and realleges the allegations set forth above as if set forth fully herein.

102. For purposes of this Count, plaintiff expressly excludes and disclaims any allegation that could be construed as alleging fraud or intentional or reckless misconduct, as this Count is based solely on claims of strict liability and/or negligence under the 1933 Act.

103. By means of the defective Prospectuses, the defendants named herein assisted in the sale of the Securities to plaintiff and other members of the Class.

104. The Prospectuses contained untrue statements of material fact, and concealed and failed to disclose material facts, as detailed above. The defendants named in this Count owed plaintiff and the other members of the Class who purchased the Securities pursuant to the Prospectuses the duty to make a reasonable and diligent investigation of the statements contained in the Prospectuses to ensure that such statements were true and that there was no omission to state a material fact required to be stated in order to make the statements contained therein not misleading. Defendants, in the exercise of reasonable care, should have known of the misstatements and omissions contained in the Prospectuses as set forth above.

105. Plaintiff did not know, nor in the exercise of reasonable diligence could have known, of the untruths and omissions contained in the Prospectuses at the time plaintiff acquired the Securities.

106. By reason of the conduct alleged herein, these defendants violated §12(a)(2) of the 1933 Act. As a direct and proximate result of such violations, plaintiff and the other members of the Class who purchased the Securities pursuant to the Prospectuses sustained substantial damages in connection with their purchases of the Securities. Accordingly, plaintiff and the other members of the Class who hold such Securities have the right to rescind and recover the consideration paid for their Securities, and hereby tender their Securities to the defendants sued herein. Class members who have sold their Securities seek damages to the extent permitted by law.

COUNT III

**Violations of §15 of the 1933 Act
Against the Individual Defendants**

107. Plaintiff repeats and realleges each and every allegation contained above.

108. This Count is brought pursuant to §15 of the 1933 Act against the Individual Defendants. For purposes of this Count, plaintiff expressly excludes and disclaims any allegation that could be construed as alleging fraud or intentional or reckless misconduct, as this Count is based solely on claims of strict liability and/or negligence under the 1933 Act.

109. Each of the Individual Defendants was a control person of DB by virtue of his or her position as a director, senior officer and/or major shareholders of DB which allowed each of these defendants to exercise control over DB and its operations.

110. Each of the Individual Defendants was a culpable participant in the violations of §11 of the 1933 Act alleged in the Count above, based on their having signed or authorized the signing of the Registration Statement and having otherwise participated in the process which allowed the Offerings to be successfully completed.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for relief and judgment, as follows:

A. Determining that this action is a proper class action and certifying plaintiff as a Class representative;

B. Awarding compensatory damages in favor of plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees;

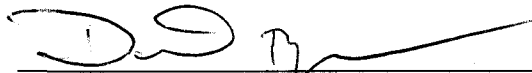
- D. Awarding rescission or a rescissory measure of damages; and
- E. Such equitable/injunctive or other relief as deemed appropriate by the Court.

JURY DEMAND

Plaintiff hereby demands a trial by jury.

DATED: April 17, 2009

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Attorneys for Plaintiff

CERTIFICATION OF NAMED PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS

GEORGE GERSON ("Plaintiff") declares:

1. Plaintiff has reviewed a complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

Acquisitions:	Date Acquired	Number of Shares Acquired	Acquisition Price Per Share
	02/02/08	600 shares of 8.05% Trust Preferred Securities	\$2.00

Sales:	Date Sold	Number of Shares Sold	Selling Price Per Share
	03/09/09	600 shares of 8.05% Trust Preferred Securities	\$13.71

5. Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws except as detailed below during the three years prior to the date of this Certification:

6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery,

except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 14th day of April, 2009.



GEORGE GERSON