



# Deutsche Bank Resolution Plan

## Section 1: Public Section

October 1, 2013

*Passion to Perform*



## I. Summary of Resolution Plan



# Summary of Resolution Plan

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## Introduction

Deutsche Bank Aktiengesellschaft (“**DBAG**” and, together with its subsidiaries, the “**DB Group**”) is pleased to present the public section (“**Public Section**”) of the first annual update of its plan for the rapid and orderly resolution of the U.S. operations (the “**U.S. Resolution Plan**”) of the DB Group. Under the final regulations implementing Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”), which was signed into law by President Obama on July 21, 2010, a “rapid and orderly resolution” means a reorganization or liquidation of a covered company that can be accomplished within a reasonable period of time and in a manner that substantially mitigates the risk that the failure of such company would have serious adverse effects on financial stability in the United States.

In September 2011, pursuant to the Dodd-Frank Act, the Board of Governors of the Federal Reserve System (“**Federal Reserve**”) and the Federal Deposit Insurance Corporation (“**FDIC**”) issued a final rule that requires bank holding companies with assets of \$50 billion or more, along with companies designated as systemically important by the Financial Stability Oversight Council (“**FSOC**”), to submit to the Federal Reserve, the FDIC and the FSOC a plan for resolution under the U.S. Bankruptcy Code (the “**Bankruptcy Code**”) in the event of material financial distress or failure.<sup>1</sup> The DB Group’s initial U.S. Resolution Plan submission was delivered on July 1, 2012, with annual and interim updates due thereafter. This October 1, 2013 submission represents the first annual update of the U.S. Resolution Plan. The Federal Reserve and the FDIC have each, by rule, by written regulatory guidance,<sup>2</sup> through the supervisory process and through meetings with the DB Group, prescribed the assumptions, required approach and scope for the U.S. Resolution Plan. For a foreign-based covered company like the DB Group, the rule requires the U.S. Resolution Plan to include information only with respect to its subsidiaries, branches and agencies, and critical operations and core business lines, as applicable, that are domiciled in the United States or conducted in whole or material part in the United States, together with information about any interconnections or interdependencies between its U.S. and foreign operations and a description of how the U.S. resolution plan is integrated into the DB Group’s overall resolution or other contingency planning process.

Headquartered in Frankfurt am Main, Germany, the DB Group is the largest bank in Germany and one of the largest financial institutions in Europe and the world, as measured by total assets of €2,012 billion<sup>3</sup> as of December 31, 2012. As of that date, the DB Group employed 98,219 people on a full-time equivalent basis and operated in 72 countries out of 2,984 branches worldwide, of which 65% were in Germany. The DB Group offers a wide variety of investment, financial and related products and services to private individuals, corporate entities and institutional clients around the world.

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<sup>1</sup> In January 2012, the FDIC also issued a final rule that requires insured depository institutions (“**IDIs**”) with assets of \$50 billion or more to submit periodically to the FDIC a plan (the “**IDI Plan**”) for resolution in the event of failure under the Federal Deposit Insurance Act (“**FDIA**”). The DB Group is not required at this time to submit an IDI plan because it did not meet the filing requirements as of December 31, 2012.

<sup>2</sup> In April 2013, the Federal Reserve and the FDIC jointly released a guidance document titled *Guidance for 2013 § 165(d) Annual Resolution Plan Submissions by Foreign-Based Covered Companies that Submitted Initial Resolution Plans in 2012*.

<sup>3</sup> Total assets as calculated under IFRS. This figure is not adjusted to reflect additional netting provisions as allowed under U.S. GAAP.

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Following a comprehensive strategic review, the DB Group realigned its organizational structure in the fourth quarter of 2012. The DB Group reaffirmed its commitment to the universal banking model and to its four existing corporate divisions, which are:

- Corporate Banking & Securities (“**CB&S**”), consisting of the Markets and Corporate Finance businesses;
- Global Transaction Banking (“**GTB**”), consisting of the Trade Finance, Cash Management and Trust & Securities Services businesses;
- Private & Business Clients (“**PBC**”); and
- Asset & Wealth Management (“**AWM**”), which integrates the existing Asset Management and Wealth Management businesses.

The DB Group strengthened this emphasis on the universal banking model with an integrated AWM Corporate Division that includes former CB&S businesses such as exchange-traded funds. Furthermore, the DB Group created a Non-Core Operations Unit (“**NCOU**”). This unit includes the former DB Group division Corporate Investments (“**CI**”) as well as non-core operations which were reassigned from other corporate divisions.

Overall, the DB Group considerably strengthened its capital position, liquidity reserves and refinancing sources and, thus, should be well prepared for further potential challenges caused by market turbulences and stricter regulatory rules. Due to annual net income and accelerated capital formation and de-risking activities, including measures taken in the NCOU, the DB Group’s Tier 1 capital ratio under Basel 2.5 improved to a record level of 15.1%, and the DB Group’s Core Tier 1 capital ratio increased to 11.4% as of December 31, 2012. The pro-forma Basel 3 fully-loaded Core Tier 1 capital ratio also increased substantially to 7.8% up from less than 6% in the preceding year and surpassed the communicated target of 7.2%, reflecting strong delivery on portfolio optimization and de-risking of non-core activities, as well as model and process enhancements. During the first half of 2013, the DB Group continued to strengthen its Common Equity Tier 1 capital position. Common Tier 1 capital increased by €3.7 billion through a share issuance in April 2013 and retained earnings from net income for the first six months of 2013. As a result, the DB Group achieved its 2015 target of a pro-forma fully-loaded Basel 3 Common Equity Tier 1 capital ratio of 10.0% as at June 30, 2013, well ahead of plan.

Risk-weighted assets at year-end 2012 were €334 billion, versus €381 billion at year-end 2011, largely due to management actions aimed at de-risking the DB Group’s business. In the second half of 2012, the DB Group achieved a reduction in pro-forma Basel 3 risk-weighted asset equivalents of €80 billion, versus the communicated target of €90 billion for March 31, 2013.

The DB Group’s liquidity reserves were in excess of €230 billion as of December 31, 2012, including reserves held on a Postbank AG level, which contributed in excess of €25 billion at year-end (December 31, 2011: €223 billion, excluding Postbank).

The resolution planning required under the Dodd-Frank Act and its related regulatory guidance represents the next logical step in the DB Group’s development of its crisis risk management capabilities, financial resiliency and general risk management capabilities. The DB Group believes that resolution planning provides for a viable resolution approach and the mitigation of risks surrounding “too big to fail” concerns.

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The following sections of this public summary provide a high-level overview of the DB Group and the U.S. Resolution Plan.

## A. Description of U.S. Material Entities

### 1. Deutsche Bank AG New York Branch

Deutsche Bank AG New York Branch (“**DBAG NY**”) is a wholesale branch of DBAG. DBAG NY is licensed by the New York State Department of Financial Services (“**NYSDFS**”) and regulated by the Federal Reserve and the *Bundesanstalt für Finanzdienstleistungsaufsicht* (“**BaFin**”). DBAG, and by extension, DBAG NY, is also regulated by the Commodity Futures Trading Commission (“**CFTC**”) as a registered swap dealer. DBAG NY’s deposits are not insured by the FDIC and are not subject to the German statutory and voluntary deposit protection schemes. It engages primarily in traditional lending and wholesale deposit activities, as well as trading activities dealing with derivatives (primarily interest rate-related derivatives) and cash financial products.

DBAG NY books several types of activities, including the following:

- extensions of credit (including loans and standby letters of credit);
- clearing activities;
- currency transactions;
- investments in U.S. Treasuries and New York State obligations;
- repurchase agreements (“Repos”) and reverse Repos over U.S. Treasuries and New York State obligations;
- derivatives (principally interest rate derivatives); and
- accepting deposits.

The following transactions may be booked in DBAG NY:

- investments in subsidiaries, service companies and partnerships; and
- investments in eligible debt securities (generally investment-grade corporate debt and asset-backed securities and securities issued by states other than New York), subject to limitations under applicable law.

### 2. Deutsche Bank Securities Inc.

Deutsche Bank Securities Inc. (“**DBSI**”), a Delaware corporation, is a wholly-owned subsidiary of Deutsche Bank U.S. Financial Markets Holding Corporation, which is a wholly-owned subsidiary of Taunus Corporation, which in turn is wholly-owned by DBAG. DBSI is registered as a broker-dealer and an investment adviser with the U.S. Securities and Exchange Commission (“**SEC**”) and as a futures commission merchant (“**FCM**”) and commodity pool operator with the CFTC. In addition, DBSI is a member of the Financial Industry Regulatory Authority (“**FINRA**”), the Securities Investor Protection Corporation (“**SIPC**”) and the National Futures Association (“**NFA**”). DBSI is also subject to supervision by the Federal Reserve. It has 21 registered branches throughout the continental United States.

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As of December 31, 2012, DBSI had total assets of \$239 billion. Its net revenue for the year ended December 31, 2012 was \$4.5 billion. DBSI is a full-service broker-dealer that provides brokerage and investment advisory services, investment banking services and other services. The current main activities are:

- trade execution services for a broad range of domestic and international clients;
- securities brokerage and investment advisory services to private clients and institutions;
- correspondent clearing services to broker-dealers;
- capital raising;
- market making;
- fixed-income trading;
- equity sales and trading;
- equity market research;
- investment banking services; and
- securities and derivatives clearing for its customers, affiliates or itself on various exchanges and clearinghouses of which DBSI is a member.

DBSI's full-service brokerage business includes prime brokerage ("PB"), margin lending, investment management and retail brokerage.

### 3. Deutsche Bank Trust Corporation

Deutsche Bank Trust Corporation ("DBTC"), a New York-chartered bank holding company regulated by the Federal Reserve, is a wholly-owned subsidiary of DBAG. DBTC is registered as a bank holding company under the Bank Holding Company Act of 1956. It has obtained financial holding company status under the Gramm-Leach-Bliley Act. DBTC is the parent company of DBTCA, Deutsche Bank Trust Company Delaware ("DBTCD"), Deutsche Bank Holdings, Inc. ("DBHI") as well as several limited-purpose trust companies and other entities.

### 4. Deutsche Bank Trust Company Americas

Deutsche Bank Trust Company Americas ("DBTCA"), a New York banking corporation, is a wholly-owned subsidiary of DBTC, which is a wholly-owned subsidiary of DBAG. DBTCA is a licensed New York State-chartered insured depository institution regulated by the NYSDFS. DBTCA is also a member of the Federal Reserve and is an FDIC-insured bank. DBTCA is a transfer agent registered with the SEC.

DBTCA offers a wide variety of financial products and engages in the following activities:

- loan origination and other forms of credit;
- accepting deposits;
- commercial banking and financial services, including trust services;
- clearing activities;

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- currency transactions;
- fiduciary transactions; and
- custody transactions.

DBTCA provides these services primarily to large corporations, financial institutions, and high net worth individuals. DBTCA also makes investments in and enters into Repos with respect to U.S. Treasuries and New York State obligations and certain community development investments, subject to restrictions under applicable law.

## 5. DB Services Americas, Inc.

DB Services Americas, Inc. (“**DBSA**”), a Delaware corporation, is a wholly-owned subsidiary of DBHI, which is a wholly-owned subsidiary of DBTC, which in turn is wholly-owned by DBAG.

DBSA does not have any external customers. DBSA provides a variety of administrative and back-office infrastructure services to DBTCA, as well as to its affiliate Deutsche Bank National Trust Company (“**DBNTC**”) and certain other DB Group affiliates that are not U.S. material entities.

The support services provided by DBSA primarily include those relating to trust and securities services operations. In providing various back-office operations, DBSA acts solely in an agency capacity, while DBTCA and DBNTC retain all related risks associated with their customers. DBSA employees have the authority to act on behalf of DBTCA and DBNTC only to the extent that such authority is granted by the individual business line units that DBSA supports. DBSA operates under the Umbrella Service Agreement Covering All Statutory Accounting Principle Allocations between and among all DB Group-affiliated legal entities (the “**Umbrella Agreement**”). There are intercompany service level agreements (“**SLAs**”) that govern the relationships between DBSA and its affiliates, including DBTCA. Certain services provided by DBSA support services provided by DBTCA to DBNTC pursuant to additional intercompany agency agreements between DBNTC and DBTCA.

## 6. DB Services New Jersey, Inc.

DB Services New Jersey, Inc. (“**DBSNJ**”), a New Jersey corporation, is a wholly-owned subsidiary of DBTC, which is a wholly-owned subsidiary of DBAG.

DBSNJ does not have any external customers. DBSNJ provides a wide variety of administrative and back-office infrastructure services to DBTCA, DBSI and DBAG NY, as well as to other DB Group affiliates. The support services provided by DBSNJ include services relating to loan operations, private wealth management operations, and trust and securities services operations. In providing various back-office operations, DBSNJ acts solely in an agency capacity; DBTCA and other affiliates retain the risks associated with their customers. DBSNJ employees have the authority to act on behalf of DBTCA and other affiliates only to the extent that such authority is granted by the individual business line units that it supports. DBSNJ operates under the Umbrella Agreement. There are intercompany service agreements that govern the relationships between DBSNJ and its affiliates.

## 7. Deutsche Bank Americas Holding Corp.

Deutsche Bank Americas Holding Corp. (“**DBAHC**”), a Delaware corporation, is a wholly-owned subsidiary of Taunus Corporation, which is wholly-owned by DBAG. DBAHC serves as a holding

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company for seven Americas subsidiaries—DB Energy Trading LLC, German American Capital Corporation, Deutsche Investment Management Americas Inc., DBAH Capital, LLC, RoPro U.S. Holding, Inc. and Deutsche Bank Trust Company, N.A. and DB Alex. Brown Holdings Incorporated.

DBAHC also employs certain members of U.S. Regional Management who are important to the effective operation of the region.

In addition to being a holding company for a variety of entities, DBAHC is the sponsor for all of the DB Group's U.S. qualified pension plans, as well as other benefit plans (the "**DB Pension/Benefit Plans**"), including:

- Cash Account Pension Plan (both the defined benefit and cash balance plans);
- DB Matched Savings Plan (401(k));
- post-retirement Welfare Plan covering retiree medical and dental benefits; and
- post-employment plan covering employees on long-term disability and surviving spouses of employees.

As sponsor of the DB Pension/Benefit Plans, DBAHC provides the funding for these plans while allocating the costs to the other U.S. legal entities based on their headcount. DBAHC's role as sponsor of these plans is the primary reason for designating DBAHC as a material entity for purposes of the U.S. Resolution Plan.

### **8. Deutsche Bank National Trust Company**

DBNTC, a national banking association, is a wholly-owned subsidiary of DBHI, which is a wholly-owned subsidiary of DBTC. DBNTC markets corporate trust services to clients in the U.S. DBNTC is a non-depository trust company regulated by the Office of the Comptroller of the Currency ("**OCC**"). It does not take any FDIC-insured or other general deposits. DBNTC is also a transfer agent registered with the SEC, and a member of the Federal Reserve.

DBNTC's charter limits it to the powers of conducting the business of a trust company. Being nationally chartered, DBNTC may establish non-branch (non-deposit) trust offices in other states.

DBNTC is engaged in the safeguarding and controlling of assets and acting in the capacity of a qualified intermediary for both institutional and individual clients. DBNTC provides services to the GTB and AWM corporate divisions. DBNTC offers a variety of financial products and engages in the following activities:

- GTB Corporate Trust
  - trust services;
  - custody transactions; and
  - debt services.
- AWM
  - high net worth individual fiduciary services located in the western U.S.; and
  - security setup for investment settlements.



DBNTC was not identified as a material entity in the DB Group's July 2012 submission, but has been included in this year's plan because of its significance to the DB Group's Corporate Trust business.

## B. Description of Core Business Lines

### 1. Cash Management Corporates and Cash Management Financial Institutions

The Cash Management Corporates ("**CMC**") business and the Cash Management Financial Institutions ("**CMFI**") business of the DB Group, which together comprise the Cash Management core business line, operate across several entities, including DBTCA and DBAG NY, each of which books client deposits and related payments processing. CMC and CMFI are part of the DB Group's GTB corporate division. The CMC business is designed to support corporate clients, and the CMFI business is designed to service commercial banks, central banks, hedge funds, asset managers, broker-dealers and sovereign wealth funds.

The DB Group's Cash Management core business line provides commercial banking products and services for both corporate clients and financial institutions that deal with the management and processing of domestic and cross-border payments. The services are broadly grouped into Payments and Receivables, Liquidity Management and Treasury. The Cash Management core business line is designed to optimize clients' payables and receivables and treasury management transactions to improve working capital and to maximize liquidity.

### 2. Foreign Exchange Spot and Forwards

The Global Foreign Exchange ("**FX Trading**") business unit of the DB Group engages in all aspects of the FX business, including in standard spot and forward markets and electronic trading. The FX Trading unit possesses a full spectrum product suite. The U.S. FX Spot and Forwards ("**U.S. FX Spot and Forwards**") business line, which sits within FX Trading, has been designated as a core business line. FX Trading is a component of the Fixed Income & Currencies ("**FIC**") business unit within the CB&S business division and is responsible for trading foreign exchange throughout the DB Group.

The U.S. FX Spot and Forwards core business line operates across several entities, but mainly through Deutsche Bank AG London Branch ("**DBAG London**"), where 95% of all FX trades are booked. All FX trades executed through DBAG NY are booked in DBAG London; however, the majority of USD collateral is held in non-segregated accounts with DBAG NY. For FX transactions with U.S. clients, most of the traders and sales force are employed by DBAG NY. In addition, certain support staff are employed by DBSI.

### 3. Tri-Party and Bilateral Repurchase Agreements

The bilateral repurchase agreement ("**Bilateral Repo**") business and tri-party repurchase agreement business ("**Tri-Party Repo**" and, collectively with the Bilateral Repo business, "**Repo**") of the DB Group are together a core business line. The Repo core business line provides short-term secured lending and hedging services to a wide range of clients and to other DB Group trading desks. By corporate structure, the Repo core business line is a part of the global Repo business unit, which in turn, along with the DB Group's U.S. Money Market Pool Funding ("**U.S. Pool Funding**") core business line and the other liquidity and funding businesses of the DB Group, including the Equity Finance Desk, is part of the Global Liquidity Management ("**GLM**") business unit. GLM is a component of the FIC business unit within the

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CB&S business division and is responsible for secured funding throughout the DB Group, except for self-funded entities such as DBTCA.

## 4. Global Liquidity Management: Pool Funding

The Global Liquidity Management: Pool Funding core business line (“**U.S. Pool Funding**”) provides both recourse and non-recourse funding to internal business lines within the DB Group to meet minimum liquidity and stress requirements. The U.S. Pool Funding group facilitates borrowing or lending for periods of time up to two years. U.S. Pool Funding is part of the global Money Market Pool Funding business unit (“**Pool Funding**”), which in turn, along with the DB Group’s Repo core business line and other liquidity and funding businesses of the DB Group, is part of the GLM business unit. GLM is a component of the FIC business unit in the CB&S business division and is responsible for short-term funding throughout the DB Group. The exception is DBTCA, as DBTCA is a self-funded entity which relies on the U.S. Pool Funding business personnel to assist it in managing its separate funding sources and uses.

## 5. Equity Cash Trading

The Equity Cash Trading (“**U.S. Equity Cash Trading**”) core business line of the DB Group is conducted from DBSI. The U.S. Equity Cash Trading core business line is a sub-business line that is a part of the Equities business unit within the CB&S business division. The Equities business unit also includes the Global Prime Finance (“**GPF**”) and Listed Derivatives (“**U.S. LD**”) core business lines.

U.S. Equity Cash Trading engages in bona fide market making in Nasdaq-listed securities (DBSI is registered as a Nasdaq Market Maker and Listed Block Positioner). This includes executing orders as agent, riskless principal and customer facilitation transactions. Customer facilitation generally involves filling a customer order from inventory and building inventory in anticipation of customer demand, while an agency trade involves U.S. Equity Cash Trading trying to fill a customer’s trade in the market. In a riskless principal transaction, the U.S. Equity Cash Trading core business line is acting as principal for two clients and then matching these opposing trades. Depending on the type of trade and the particular clearinghouses, cash flows will settle at different frequencies based on the clearinghouse’s rules regarding the times for settlement of cash flows.

## 6. Global Prime Finance

The GPF core business line of the DB Group provides financing (including synthetic financing) and PB services to asset managers in a wide range of localities. The GPF core business line, together with the U.S. LD core business line, makes up the DB Group’s “Markets Prime Finance” business unit within the “Equities” business unit within the CB&S business division. The GPF core business line maintains the following PB platforms: (i) portfolio margining under FINRA Rule 4210 or traditional Regulation T<sup>4</sup> PB and (ii) enhanced PB (i.e., arranged financing). It is comprised of several businesses, including PB, Complex PB, Synthetic Equity and Securities Lending, as well as a number of ancillary product offerings.

## 7. Listed Derivatives

The U.S. LD, or exchange-traded derivatives, core business line of the DB Group is part of a newly-integrated business called Markets Prime Finance, which is part of the Equities business unit within the

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<sup>4</sup> 12 CFR Part 220 (Credit by Brokers and Dealers).

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CB&S business division. The U.S. LD core business line offers execution, clearing and settlement services for a comprehensive range of U.S. LD products.

The primary products executed, cleared and settled by the U.S. LD business include exchange-traded derivatives relating to the following asset classes:

- government bonds;
- commodities;
- currency;
- equities;
- equity options;
- index-equity;
- index-other; and
- interest rate products.

Customer commissions are derived by providing clearing and execution services for clients on all U.S. and global exchanges, especially Eurex Clearing AG (“**Eurex**”), Chicago Mercantile Exchange (“**CME**”), London International Financial Futures and Options Exchange (“**LIFFE**”) and IntercontinentalExchange (“**ICE**”).

### 8. Interest Rate Over-the-Counter Derivatives

The interest rate over-the-counter derivatives (“**U.S. OTC Rates**”) core business line of the DB Group is part of the global OTC Rates business unit and provides a comprehensive range of OTC derivatives products, including a full range of vanilla and exotic interest rate, fund and inflation products. Rates and Credit Trading is a component of the FIC business unit within the CB&S business division. The U.S. OTC Rates business line allows clients to execute large trades in these products and to structure, execute and manage the risk of complex transactions.

The U.S. OTC Rates business line operates across several material entities, including DBAG NY and DBSI. DBAG NY is the primary client-facing entity and the majority of U.S. dollar-denominated interest rate derivative transactions are booked in DBAG NY. DBSI, which is registered as an FCM with the CFTC, acts as the clearing broker for those dollar-denominated OTC trades that are centrally cleared, including for transactions in which DBAG NY acts as the executing broker with CME. As clearing broker, DBSI houses the credit risk to clients. The U.S. OTC Rates core business line and corresponding critical operation are mapped to DBSI.

The U.S. OTC Rates business covers a wide variety of products focusing on OTC derivatives, split broadly into vanilla and exotic products, such as:

- interest rate swaps;
- interest rate options;
- hybrids;
- inflation products;
- longevity products; and
- fund of funds products.

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## 9. Rates Cash Treasury

The Rates Cash Treasury (“**U.S. Rates Cash Treasury**”) core business line of the DB Group provides trading services with respect to a comprehensive range of treasury securities products.

The U.S. Rates Cash Treasury core business line operates mainly within DBSI. Traders in New York primarily book trades in DBSI, which is the DB Group’s U.S. broker-dealer. The U.S. Rates Cash Treasury core business line is a sub-business line that is a part of the Rates and Credit Trading business unit. U.S. Rates and Credit Trading is a component of the FIC business unit within the CB&S business division. The Rates and Credit Trading business unit trades a comprehensive range of fixed-income securities products, including government agencies, municipals and OTC rate derivatives.

DBSI is a primary dealer of U.S. Treasury securities. The U.S. Rates Cash Treasury core business line also provides a broker service for the DB Group’s branches to route orders through the U.S. Rates Cash Treasury desk to the applicable exchanges to execute transactions on their behalf.

## 10. Credit Trading

The Credit Trading (“**U.S. Credit Trading**”) core business line of the DB Group is a global franchise within the Rates and Credit Trading business unit. Rates and Credit Trading is a component of the FIC business unit within the CB&S business division. U.S. Credit Trading is an integrated cash and credit default swap (“**CDS**”) trading business and offers products that span the credit spectrum, encompassing investment-grade, high-yield, par loan and distressed products.

The U.S. Credit Trading core business line is comprised of five desks: investment-grade, high-yield, par loan, index and distressed products, which span the spectrum of corporate credit quality. U.S. Credit Trading’s primary role is to act as market maker for clients in corporate cash instruments, credit derivatives, indices and index options. U.S. Credit traders are supported by an integrated desk analyst team that manages and analyzes credit risks and generates trade ideas.

### C. Summary Financial Information – Deutsche Bank AG Group

#### 1. Balance Sheet Information

DBAG’s Annual Report on Form 20-F (“**Form 20-F**”) includes detailed financial information. The following is DBAG’s consolidated balance sheet from DBAG’s Form 20-F, which summarizes the balance sheet and capital position for DBAG as of December 31, 2012. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”). The footnotes contained in DBAG’s Form 20-F are an integral part of DBAG’s balance sheet. For a more detailed discussion regarding any line item on the balance sheet, please refer to DBAG’s Annual Report on Form 20-F.

	Dec. 31, 2012 € mm	Dec. 31, 2011 € mm
Cash and Due from Banks	27,885	15,928
Interest Earning Deposits with Banks	119,548	162,000
Central Bank Funds Sold, Securities Purchased Under Resale Agreements and Securities Borrowed	60,517	57,110
Trading Assets	245,538	240,924

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	Dec. 31, 2012 € mm	Dec. 31, 2011 € mm
Positive Market Values from Derivative Financial Instruments	768,316	859,582
Financial Assets Designated at Fair Value Through Profit or Loss <sup>1</sup>	187,027	180,293
Loans	397,279	412,514
Brokerage and Securities-Related Receivables	97,295	122,810
Remaining Assets	108,924	112,942
<b>Total Assets</b>	<b>2,012,329</b>	<b>2,164,103</b>
Deposits	577,202	601,730
Central Bank Funds Purchased, Securities Sold Under Resale Agreements and Securities Loaned	39,253	43,401
Trading Liabilities	54,914	63,886
Negative Market Values from Derivative Financial Instruments	752,706	838,817
Financial Liabilities Designated at Fair Value Through Profit or Loss <sup>2</sup>	109,166	118,318
Other Short-Term Borrowings	69,060	65,356
Long-Term Debt	158,097	163,416
Brokerage and Securities-Related Payables	128,010	139,733
Remaining Liabilities	69,511	74,786
<b>Total Liabilities</b>	<b>1,957,919</b>	<b>2,109,443</b>

- (1) Includes securities purchased under resale agreements designated at fair value through profit or loss of €124,987 million and €117,284 million and securities borrowed designated at fair value through profit or loss of €28,304 million and €27,261 million as of December 31, 2012 and December 31, 2011, respectively.
- (2) Includes securities sold under repurchase agreements designated at fair value through profit or loss of €82,267 million and €93,606 million as of December 31, 2012 and December 31, 2011, respectively.

### Changes in Assets

As of December 31, 2012, total assets were €2,012 billion. The decrease of €152 billion or 7% compared to December 31, 2011 was largely related to a €91 billion reduction in positive market values from derivatives, primarily driven by yield curve changes, tightening credit spreads, maturing trades as well as the strengthening euro against major currencies. The €12 billion increase in cash and due from banks and the €42 billion decrease in interest earning deposits with banks reflects our liquidity management activities during the year, including the reduction in our discretionary wholesale funding liabilities. Brokerage and securities related receivables were down by €26 billion compared to December 31, 2011, due to extraordinary low trading volumes over the year-end 2012. During 2012, loans declined by €13 billion, primarily from managed reductions in our NCOU. Foreign exchange rate movements (included in numbers above), in particular of the U.S. dollar and Japanese yen versus the euro, contributed €25 billion to the decrease of our balance sheet during 2012.

### Changes in Liabilities

Total liabilities decreased by €152 billion over the year 2012, with a €86 billion reduction in negative market values from derivatives representing the major driver, primarily due to the same reasons driving the reduction in positive market values from derivatives as outlined above. Deposits were down €25 billion, largely impacted by (i) an alignment within the Group of cash/margin collateral received resulting in a €17 billion reclassification out of deposits into brokerage and securities related payables as of year-end



2012, and (ii) a reduction in discretionary wholesale funding liabilities, partially offset by an increase in retail and transaction banking deposits. The €12 billion decrease in brokerage and securities related payables reflects extraordinary low trading volumes over the year 2012, partially offset by the above mentioned reclassification out of deposits.

## 2. Major Funding Sources

### Funding Operations

The DB Group's GLM business line, a component of the Capital Markets Group, coordinates external wholesale funding, including access to the interbank market, central bank tender participation, capital market and retail funding and issues its own short-term DB Group commercial paper. Different parts of the GLM business line facilitate different aspects of short-term funding, including accessing the money markets, entering into bilateral and tri-party repurchase transactions, as well as securities lending agreements. The PBC business, Private Wealth Management business ("PWM") and GTB provide access to retail, corporate and financial institution deposits.

Longer-term funding (maturities of two years and above) is separately issued by Treasury. To ensure the additional diversification of DBAG's refinancing activities, the DB Group has a *Pfandbrief* license, which permits the issuance of mortgage *Pfandbriefe* (a form of covered bonds).

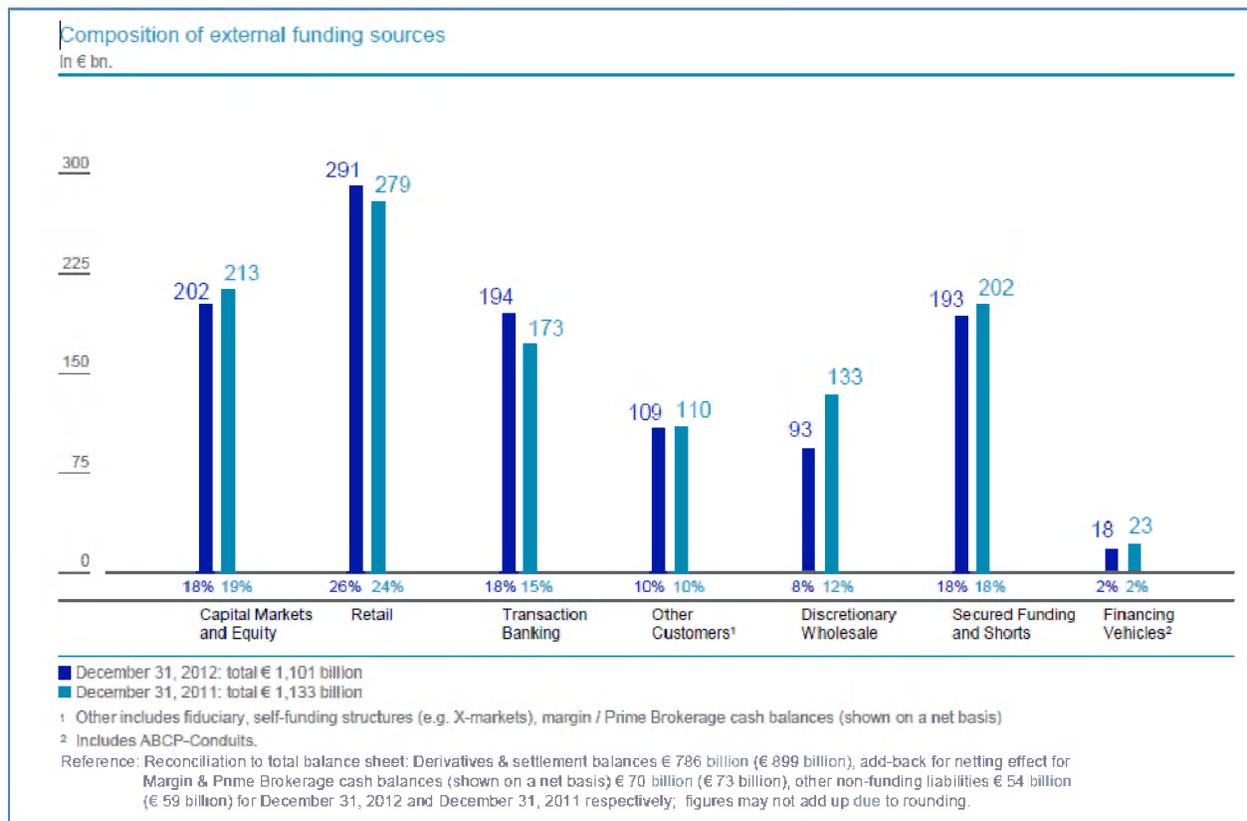
Generally, all funding sources—with the exception of Repo and securities lending, which are directly booked to the businesses using them—feed into DB Group Pool Funding, regardless of whether the source of funding is short-term unsecured funding sourced by GLM, longer-term debt issuances sourced by Treasury or deposits provided by PWM, PBC and GTB.

The global Pool Funding desks, which are part of GLM, are responsible for overall funding allocation from the Global Funding Pool. This funding is performed at the legal entity level, and, in most cases, funding is shared across legal entities. Certain legal entities are managed separately due to local regulation.

### Liquidity Policy

Besides funding, Treasury also sets and oversees liquidity policy for the entire DB Group globally at the DB Group level and locally in each region via the concept of a central liquidity pool to ensure that risk management controls are maintained under an expanding, global and multi-divisional business model.

An important element of the DB Group's liquidity risk management framework is diversification of its funding profile in terms of investor types, regions, products and instruments. The DB Group's core funding resources come from retail clients, long-term capital markets investors and transaction banking clients. Other customer deposits and borrowing from wholesale clients are additional sources of funding. The DB Group uses wholesale deposits primarily to fund cash and liquid trading assets. The following chart shows the composition of the DB Group's external funding sources (on a consolidated basis) that contribute to the liquidity risk position as of December 31, 2012 and December 31, 2011, both in euro billion and as a percentage of the DB Group's total external funding sources, and demonstrates the DB Group's funding profile sourced from stable sources.



The DB Group's focus has been on increasing its stable core funding components while maintaining access to short-term wholesale funding markets, albeit on a relatively low level. The volume of discretionary wholesale funding is well diversified across products (e.g., certificates of deposit, commercial paper as well as term, call and overnight deposits) and tenors. The DB Group's liquidity risk profile arises from activities of the DB Group's business divisions, which result in an aggregated funding demand and funding supply, coupled with the risk tolerance limits that Treasury manages on a group-wide level.

### 3. Capital

Treasury implements the DB Group's capital strategy, including the issuance and repurchase of shares, which is developed by the Capital and Risk Committee ("CaR") and approved by the Management Board. The DB Group is committed to maintaining its sound capitalization. Overall capital demand and supply are constantly monitored and adjusted, if necessary, to meet the need for capital from various perspectives. These include book equity based on IFRS accounting standards, regulatory capital and economic capital as well as specific capital requirements of rating agencies.

Regional capital plans covering the capital needs of the DB Group's branches and subsidiaries are prepared on an annual basis and presented to the DB Group's Investment Committee. Most of the DB Group's subsidiaries are subject to statutory and regulatory capital requirements. Local asset and liability committees attend to those needs under the stewardship of regional Treasury teams. Furthermore, they

## Summary of Resolution Plan



safeguard compliance with requirements such as restrictions on dividends allowable for remittance to DBAG or on the ability of its subsidiaries to make loans or advance to the parent bank. In developing, implementing and testing the DB Group's capital and liquidity, the DB Group takes such statutory and regulatory requirements into account.

### a. Regulatory Capital Adequacy

	Dec. 31, 2012 Basel 2.5 <sup>(1)</sup> € mm	Dec. 31, 2011 Basel 2.5 <sup>(1)</sup> € mm
Credit risk	229,196	262,764
Market risk	53,058	68,095
Operational risk	51,595	50,695
<b>Total risk-weighted assets</b>	<b>333,849</b>	<b>381,554</b>
Core Tier 1 capital	37,957	36,313
Additional Tier 1 capital	12,526	12,734
Tier 1 capital	50,483	49,047
Tier 2 capital	6,532	6,179
Tier 3 capital	-	-
<b>Total regulatory capital</b>	<b>57,015</b>	<b>55,226</b>
Core Tier 1 capital ratio	11.4%	9.5%
Tier 1 capital ratio	15.1%	12.9%
Total capital ratio	17.1%	14.5%

(1) Basel 2.5. In the wake of the recent global financial crisis, in mid-2010 the Basel Committee on Banking Supervision (the "Basel Committee") finalized new rules regarding the capital requirements applicable to trading activities. These rules, which took effect on December 31, 2011 and are commonly referred to as "Basel 2.5", have significantly increased the capital requirements applicable to the DB Group's trading book by introducing new risk measures, including by applying the rules applicable to assets held in the banking book to securitizations held for trading and by mandating specified capital treatment for other identified asset classes.

Starting with December 31, 2011, the calculation of the DB Group's regulatory capital incorporates the amended capital requirements for trading-book and securitization positions following Basel 2.5. Total regulatory capital (Tier 1 and Tier 2 capital) reported under Basel 2.5 was €57 billion at the end of 2012 compared to €55.2 billion at the end of 2011. Tier 1 capital reported under Basel 2.5 increased to €49.0 billion at the end of 2012 versus €42.6 billion at the end of 2010 as reported under Basel 2, reflecting primarily the retained earnings of 2011, the development of foreign currency rates and reduced capital deduction items. As of December 31, 2012, Core Tier 1 capital reported under Basel 2.5 increased to €37.95 billion from €36.3 billion at the end of 2011.

The Core Tier 1 capital ratio, which excludes hybrid instruments, was 11.4% at the end of 2012, above the European Banking Authority threshold of 9% required by June 30, 2012, and was 9.5% at year-end 2010. The internal capital adequacy ratio, signifying whether the total capital supply is sufficient to cover the capital demand determined by the DB Group's risk positions, increased to 160% as of December 31, 2012, compared to 159% as of December 31, 2011. Risk-weighted assets decreased by €47.7 billion to €333.8 billion at the end of 2012, mainly driven by a €33.6 billion decrease in risk-weighted assets from credit risk and a €15 billion decrease in risk-weighted assets from market risk. These decreases were partially offset by an increase in operational risk.

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## b. Internal Capital Adequacy

As the primary measure of its Internal Capital Adequacy Assessment Process, the DB Group assesses the internal capital adequacy based on a “gone concern approach” as the ratio of the DB Group's total capital supply divided by total capital demand as shown in the table below. During 2011, the capital supply definition for deferred tax assets, fair value adjustments and non-controlling interests in accordance with regulatory guidance was tightened. In the fourth quarter of 2012 shareholders' equity replaced adjusted active book equity as the starting point for capital supply calculation to make it more transparent. The prior year comparison information has been adjusted accordingly.

Capital Supply	Dec. 31, 2012 € mm	Dec. 31, 2011 € mm
Shareholders' Equity	54,003	53,390
Unrealized net gains/losses <sup>1</sup>	220	125
Deferred Tax Assets	(7,718)	(8,737)
Fair Value Adjustments <sup>2</sup>	(1,992)	(3,323)
Non-controlling Interests <sup>3</sup>	-	694
Hybrid Tier 1 Capital Instruments	12,526	12,734
Tier 2 Capital Instruments <sup>4</sup>	11,646	12,044
<b>Capital Supply</b>	<b>68,685</b>	<b>66,927</b>
<b>Capital Demand</b>		
Economic Capital Requirement	28,741	26,377
Intangibles	14,219	15,802
<b>Capital Demand</b>	<b>42,960</b>	<b>42,179</b>
<b>Internal Capital Adequacy Ratio</b>	<b>160%</b>	<b>159%</b>

- (1) Includes unrealized net gains (losses) on cash flow hedges, net of tax and deductions of fair value gains on own credit-effect relating to own liabilities designated under the fair value option.
- (2) Includes fair value adjustments for assets reclassified in accordance with IAS 39 and for banking book assets where no matched funding is available.
- (3) Includes non-controlling interest up to the economic capital requirement for each subsidiary.
- (4) Tier 2 capital instruments excluding items to be partly deducted from Tier 2 capital pursuant to Section 10 (6) and (6a) KWG, unrealized gains on listed securities (45% eligible) and certain haircut amounts that only apply under regulatory capital assessment.

A ratio of more than 100% signifies that the total capital supply is sufficient to cover the capital demand determined by the risk positions. This ratio was 160% as of December 31, 2012, compared to 159% as of December 31, 2011. This increase was driven by a higher economic capital requirement, which was partially offset by the impairments of goodwill and other intangible assets in the fourth quarter 2012.

## D. Description of Derivative and Hedging Activities

Derivatives contracts used by the DB Group include swaps, futures, forwards, options and other similar types of contracts. In the normal course of business, the DB Group enters into a variety of derivative transactions for both trading and risk management purposes. The DB Group's objectives in using



derivative instruments are to meet customers' risk management needs and to manage the DB Group's exposure to risks.

## **Risk Management**

The DB Group uses derivatives to reduce its exposure to market risks as part of its asset and liability management. This is achieved by entering into derivatives that hedge specific portfolios of fixed-rate financial instruments and forecast transactions, as well as strategic hedging against overall balance sheet exposures. The DB Group actively manages interest rate risk through, among other things, the use of derivative contracts. Utilization of derivative financial instruments is modified from time to time within prescribed limits in response to changing market conditions, as well as in response to changes in the characteristics and mix of the related assets and liabilities.

## **Hedge Accounting**

For accounting purposes, there are three possible types of hedges: (1) hedges of changes in the fair value of assets, liabilities or unrecognized firm commitments (fair value hedges); (2) hedges of the variability of future cash flows from highly probable forecast transactions and floating rate assets and liabilities (cash flow hedges); and (3) hedges of the translation adjustments resulting from translating the functional currency financial statements of foreign operations into the presentation currency of the parent (hedges of net investments in foreign operations).

When hedge accounting is applied, the DB Group designates and documents the relationship between the hedging instrument and the hedged item as well as its risk management objective and strategy for undertaking the hedging transactions and the nature of the risk being hedged. This documentation includes a description of how the DB Group will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedge item's fair value or cash flows attributable to the hedged risk. Hedge effectiveness is assessed at inception and throughout the term of each hedging relationship. Hedge effectiveness is always assessed, even when the terms of the derivative and hedged item are matched.

Hedging derivatives are reported as other assets and other liabilities. In the event that a derivative is subsequently de-designated from a hedging relationship, it is transferred to financial assets/liabilities at fair value through profit or loss. Subsequent changes in fair value are recognized in net gains or losses on financial assets/liabilities at fair value through profit or loss.

For fair-value hedges, the change in the fair value of the hedge asset, liability or unrecognized firm commitment, or a portion thereof, attributable to the risk being hedged is recognized in the consolidated statement of income, along with changes in the fair value of the derivative. When hedging interest rate risk, any interest accrued or paid on both the derivative and the hedged item is reported as interest income or expense, and the unrealized gains and losses from the hedge accounting fair value adjustments are reported in other income. When hedging the FX risk of an available-for-sale security, the fair value adjustments related to the security's FX exposures are also recorded in other income. Hedge ineffectiveness is reported as other income and is measured as the net effect of changes in the fair value of the hedging instrument and changes in the fair value of the hedged item arising from changes in the market rate or price related to the risk(s) being hedged.

If a fair value hedge of a debt instrument is discontinued prior to the instrument's maturity because the derivative is terminated or the relationship is de-designated, any remaining interest-rate-related fair-value

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adjustments made to the carrying amount of the debt instruments (basis adjustments) are amortized to interest income or expense over the remaining term of the original hedging relationship. For other types of fair-value adjustments and whenever a fair-value hedge asset or liability is sold or otherwise derecognized, any basis adjustments are included in the calculation of the gain or loss on derecognition.

### E. Memberships in Material Payment, Clearing and Settlement Systems

As an essential part of facilitating financial transactions in the United States for clients and customers, legal entities of the DB Group are members of various financial market utilities (“**FMUs**”), such as payment systems, clearinghouses, agent bank relationships and depositories. These memberships provide the DB Group access to the systems necessary to service its clients and customers. The table below provides a list of FMUs defined as critical for the purposes of the U.S. Resolution Plan, as well as a brief description of each FMU’s services.

FMU	Description of Services Provided by FMU
The Bank of New York Mellon	Custodial agent for tri-party repos
Clearing House Interbank Payments System (“ <b>CHIPS</b> ”)	Payments to third parties
CLS Bank	Clearing and settlement of FX spot, FX forward and FX derivative trades
CME Group Inc.	Clearing and settlement of futures, options and OTC derivatives transactions
Depository Trust Company (“ <b>DTC</b> ”)	Settlement of equities and corporate and municipal bonds
Electronic Payments Network (“ <b>EPN</b> ”)	Payments to settle small dollar bulk transactions
Eurex	Central counterparty for listed derivatives trades
Euroclear Bank	Settlement services for cross-border transactions and sub-custody of client assets
Fedwire Funds Service	Payments to third parties in respect of clearing and settlement
Fedwire Securities Service	Settlement of government securities
Fixed Income Clearing Corporation, Gov’t Securities Division (“ <b>FICC GSD</b> ”)	Settlement of trades of U.S. Treasury bills, bonds, notes and U.S. government agency securities
ICE Clear Credit LLC	Central clearing facility
ICE Clear Europe	Clearing and settlement of trades on European futures, option, CDS and energy futures contracts
ICE Clear U.S.	Clearing and settlement of futures and options traded on the ICE Futures U.S. exchange
LCH.Clearnet	Central counterparty clearing
National Securities Clearing Corporation (“ <b>NSCC</b> ”)	Clearing and settlement of equities, corporate and municipal debt securities, ADRs, ETFs and unit investment trusts
Options Clearing Corporation	Clearing and settlement of equity and index options, commodities options and futures transactions
SWIFT	Financial messaging related to payment processing



## F. Description of Foreign Operations

### Global Presence

The DB Group consists of approximately 2,906 active legal entities including shareholdings (based on IFRS rules) with representation across 72 countries as at December 31, 2012. Within the DB Group, there are 1,113 subsidiaries, 733 special purpose entities, 185 companies accounted for “at equity” (a determination which is meant to account for significant influence exercised by the DB Group over a legal entity),<sup>5</sup> 67 other companies where the holding equals or exceeds 20% and 37 holdings in large corporations where the holding exceeds 5% of the voting rights. Excluding the 733 special purpose entities there are 279 regulated entities, with 48 entities holding banking licenses, six holding insurance licenses and 39 with broker-dealer licenses within the DB Group.

The parent company, DBAG, has branches across the globe with significant branches in the U.K. and New York. The main trading activities also occur within the branch network, except where the law requires otherwise. The DB Group is highly reliant on its branch network with a significant portion of revenues and risk concentrated in the London and New York branches of DBAG.

The table below summarizes legal entities by principal regional location.

Entity Category	Americas	Asia/ Pacific	EMEA	Germany	U.K.	Total
Subsidiaries	307	104	131	267	140	949
Special purpose entities	1,097	15	187	210	32	1,541
Companies accounted for at equity	31	23	23	54	21	152
Other companies, where the holding equals or exceeds 20%	55	5	9	62	14	145
Holdings in large corporations, where the holding exceeds 5% of the voting rights	8	2	6	16	2	34
<b>Total</b>	<b>1,498</b>	<b>149</b>	<b>356</b>	<b>609</b>	<b>209</b>	<b>2,821</b>

The DB Group is regionally managed with major regional hubs in Frankfurt, London, New York, and Singapore. The DB Group maintains a presence in the following countries:

Region	Regional Hub	Country Coverage
Americas	New York	Argentina, Brazil, Canada, Cayman Islands, Chile, Mexico, Peru, U.S.
Asia/Pacific	Singapore	Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, Mauritius, New Zealand, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand, Vietnam

<sup>5</sup> For further detail regarding accounting for legal entities “at equity” and general equity method accounting pursuant to IFRS guidelines, please refer to the Deutsche Bank Annual Report 2012; Consolidated Financial Statements; Section 01, Significant Accounting Policies (page 250). See also Deutsche Bank Annual Report 2012; Consolidated Financial Statements; Section 43, Shareholdings: Companies accounted for at equity (page 406).

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Region	Regional Hub	Country Coverage
EMEA	London	Austria, Bahrain, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Egypt, Finland, France, Greece, Hungary, Italy, Israel, Kazakhstan, Luxembourg, Malta, Netherlands, Nigeria, Norway, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Serbia, South Africa, Spain, Sweden, Switzerland, Turkey, Turkmenistan, UAE, Ukraine
Germany	Frankfurt am Main	Germany
U.K.	London	Channel Islands, Ireland, U.K.
Middle East and North Africa ("MENA")	Dubai	Bahrain, Egypt, Qatar, Saudi Arabia, UAE

### G. Material Supervisory Authorities

The DB Group is subject to regulation under U.S. federal and state laws, in addition to applicable laws in the other countries in which it conducts its business. Certain of the supervisory authorities for the DB Group's U.S. material entities are as follows:

#### Branch Bank

DBAG NY is a wholesale branch of DBAG. DBAG NY is licensed by the NYSDFS and regulated by the Federal Reserve and the BaFin. Its deposits are not insured by the FDIC and are not subject to the German statutory and voluntary deposit protection schemes. It engages primarily in traditional lending and deposit activities, as well as trading activities dealing with derivatives (primarily interest rate-related derivatives) and cash financial products.

#### Broker-Dealer

DBSI, a Delaware corporation, is a wholly-owned subsidiary of Deutsche Bank U.S. Financial Markets Holding Corporation, which is a wholly-owned subsidiary of Taunus Corporation, which in turn is wholly-owned by DBAG. DBSI is registered as a broker-dealer and an investment adviser with the SEC and as a FCM and commodity pool operator with the CFTC. In addition, DBSI is a member of FINRA, SIPC and the NFA. DBSI is also subject to supervision by the Federal Reserve.

#### Holding Companies

DBTC, a New York-chartered bank holding company, qualified as a financial holding company, regulated by the Federal Reserve and licensed to conduct business in New York, is a wholly-owned subsidiary of DBAG. DBTC is registered as a bank holding company under the Bank Holding Company Act of 1956. It also has obtained financial holding company status under the Gramm-Leach-Bliley Act. DBAHC, a Delaware corporation, is a wholly-owned subsidiary of Taunus Corporation, which is wholly-owned by DBAG. DBAHC serves as a holding company for seven Americas subsidiaries—DB Energy Trading LLC, German American Capital Corporation, Deutsche Investment Management Americas Inc., DBAH Capital, LLC, RoPro U.S. Holding, Inc., Deutsche Bank Trust Company, N.A. and DB Alex. Brown Holdings Incorporated. DBAHC is subject to the supervision and regulation of the Federal Reserve and BaFin. In addition, the Pension Benefit Guaranty Corporation is involved in the oversight of the various pension plans.

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## New York State–Chartered Insured Depository Institution

DBTCA, a New York banking corporation, is a wholly-owned subsidiary of DBTC, which is a wholly-owned subsidiary of DBAG. DBTCA is a licensed New York State–chartered insured depository institution regulated by the NYSDFS. DBTCA is also a member of the Federal Reserve and is an FDIC-insured bank. DBTCA is a transfer agent registered with the SEC.

## Non-Depository Trust Company

DBNTC, a national banking association, is a wholly-owned subsidiary of DBHI, which is a wholly-owned subsidiary of DBTC. DBNTC markets corporate trust services to clients in the United States. DBNTC is a non-depository trust company regulated by the OCC. It does not take any FDIC-insured or other general deposits. DBNTC is also a transfer agent registered with the SEC, and a member of the Federal Reserve.

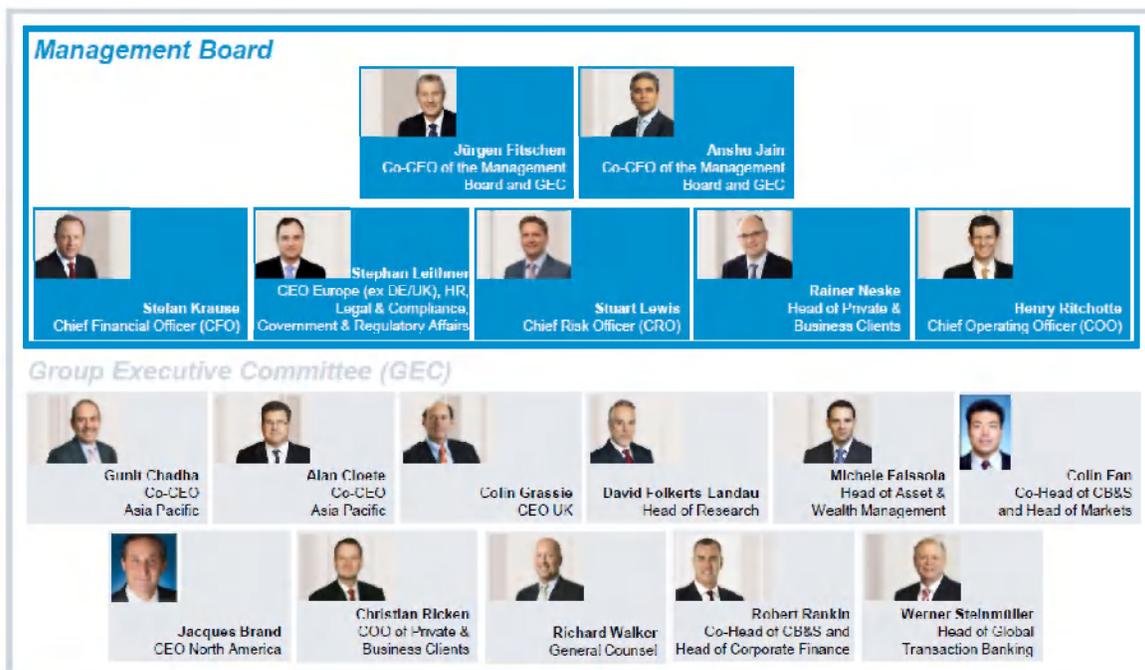
## Service Companies

DBSA, a Delaware corporation, is a wholly-owned subsidiary of DBHI, which is a wholly-owned subsidiary of DBTC, which in turn is wholly-owned by DBAG. DBSA provides a variety of administrative and back-office infrastructure services to DBTCA, as well as to certain other DB Group affiliates that are not material entities for purposes of the U.S. Resolution Plan. DBSA is an unregulated entity and is therefore not subject to supervision by regulatory authorities. DBSNJ, a New Jersey corporation, is a wholly-owned subsidiary of DBTC, which is a wholly-owned subsidiary of DBAG. DBSNJ provides a wide variety of administrative and back-office infrastructure services to DBTCA, DBSI, as well as other DB Group affiliates. DBSNJ is an unregulated entity and is therefore not subject to supervision by regulatory authorities.

## H. Principal Officers

The primary responsibilities of the Management Board of DBAG include the DB Group’s strategic management, resource allocation, financial accounting and reporting, risk management and corporate control. The Management Board is supported in the performance of its leadership and oversight duties by central infrastructure units and other service departments, as well as functional committees chaired by its members.

The Group Executive Committee (“**GEC**”) comprises the members of the Management Board, senior representatives from the business divisions and management from regions appointed by the Management Board. It also includes senior representatives from the business divisions and regional management appointed by the Management Board. It serves as a management body to coordinate the DB Group’s business and regions. Its prime tasks and responsibilities include providing ongoing information to the Management Board on business developments and particular transactions, regularly reviewing business segments, consulting with and advising the Management Board on strategic decisions and preparing recommendations for the Management Board’s decisions. The chart below depicts the members of the Management Board and GEC with each member’s responsibilities.



Note: Jürgen Fitschen also Global Head of Regional Management (ex Europe) and CFO Germany

## I. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

### 1. Description of Policies, Procedures and Internal Controls Governing Preparation

The Global Living Wills team reports to Risk Analytics and Living Wills (“RALW”) which is a function within the Risk Division. The Head of RALW reports to the DB Group Deputy Chief Risk Officer. Developments on U.S. and Global Living Wills planning are reported to the group risk committees via the Cross-Risk Review Committee to the Risk Executive Committee and ultimately to the Management Board of DBAG via the CaR Committee. The CaR Committee takes a strategic view on capital management, funding and liquidity. It provides a platform to discuss and agree upon these strategic issues between the Risk, Finance and Business Divisions.

The Global Living Wills team, which includes the U.S. Living Wills team, is responsible for the day-to-day development and maintenance of the Recovery & Resolution Plans as required by the DB Group’s Crisis Management Group regulators. Deliverables include inputs to support BaFin in developing a Group Resolution Plan. The U.S. resolution strategy is integrated into the DB Group’s overall resolution and contingency planning process. The DB Group will continue to work closely with its U.S. and German regulators to ensure that the U.S. resolution strategy discussed in this U.S. Resolution Plan is consistent and coordinated with the DB Group’s resolution planning. The Global Living Wills team, including the U.S. Living Wills Team, holds weekly status meetings to monitor and plan workstream activities, coordinate efforts and share resources across the relevant regions. The Global Living Wills team works closely together with other subject matter experts from across the DB Group’s business lines and infrastructure functions.

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The Global Living Wills team has developed policies and procedures related to general maintenance, implementation and revision of and compliance with the DB Group and regional resolution plans and the Recovery Plan. Those policies assign core responsibilities for the ongoing review, revision and maintenance of the plans as well as the execution of actions which address certain unresolved impediments to an orderly resolution of DBAG (“**Ex-Ante Actions**”). A dedicated Ex-Ante Living Wills Team member has been assigned to provide oversight to ensure progress and guidance on remediating all Ex-Ante Actions. These responsibilities are also supported by the Global Living Wills Team as well as the businesses and infrastructure groups which are essential in the development of effective plans. Working groups with regularly scheduled meetings are established for each Ex-Ante Action to manage the project plan and ensure upward communication to the stakeholders and to be responsible for completion of milestones on time.

The U.S. Living Wills team, working in conjunction with the businesses and support functions, is responsible for development of the U.S. Resolution Plan.

## 2. Approval of the U.S. Resolution Plan

The members of the Management Board of DBAG have authorized Jacques Brand, DB Americas CEO, to approve regulatory filings, including the U.S. Resolution Plan. On September 23, 2013, Mr. Brand was briefed on the contents of the U.S. Resolution Plan by members of the U.S. Living Wills Team and representatives of Regional Management. In reliance on such briefings and Mr. Brand’s own review of the U.S. Resolution Plan, he considered and approved the October 2013 submission of the U.S. Resolution Plan.

Each of the material entity, core business line and critical operation strategies was reviewed and approved by the responsible personnel in these areas. Furthermore, each function within the network collaborated to gather and provide input to the U.S. Resolution Plan. Each function’s input has been reviewed in conjunction with the Global Living Wills team, both from the top down as well as at a functional level to ensure consistency and accuracy of information contained within the plan.

## 3. Oversight Responsibility: Identity and Position of Senior Management Officials Responsible for Resolution Plan Development, Maintenance, Implementation, Filing and Compliance

Delivery of the Global Living Wills program, which includes the U.S. Living Wills program, is managed by a central team with support from various business areas and central functions. The DB Group Living Wills Committee (“**LWC**”) provides central oversight over the DB Group Living Wills initiatives. The LWC is a permanent sub-committee of the CaR Committee.

The CRO of Germany chairs the LWC. The Head of Strategic & Capital Planning is the Vice-Chair of the LWC. The group of voting members is appointed by the chair of the committee and comprises senior members from the Risk functions, Regional Management, Group Strategy and Planning, Group Finance, Group Technology & Operations, Global Business Services (“**GBS**”), CB&S and AWM teams. The membership of the LWC includes the DB Group’s:

Title / Function
CRO Germany (Chair)
Head of Strategic & Capital Planning (Vice-Chair)

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Title / Function
Head of Group Strategy, M&A and Integration
Head of Government and Regulatory Affairs
Head of Risk Analytics and Living Wills
Group Treasurer
Head of DB Research
Chief Administrative Officer for CB&S
Chief Operating Officer for PBC
Chief Operating Officer for GTB
Chief Operating Officer for AWM
Chief Operating Officer for Markets
Chief Operating Officer for NCOU
Chief Operating Officer for Market Risk
Chief Operating Officer for GTO
Global Head of GBS
Chief Operating Officer for Germany
Chief Operating Officer for U.K.
Chief Operating Officer for Europe (excluding U.K. and Germany)
Chief Operating Officer for Americas
Chief Operating Officer for APAC
Head of Recovery
Head of Resolution
Head of CRM Portfolio and Exposure Management
Global Head of Liquidity Risk Management and Treasury Regulation
Head of Corporate M&A
Head of Developed Markets Risk Analysis Team, DB Research
General Counsel
Chief Operating Officer for GBS
Head of Business and Risk Intelligence – GTO
Head of Operational Effectiveness & Strategy Group
Head of CB&S Portfolio Risk Management
Head of ALM PBC, Head of Treasury DB PGK AG
Chief Operating Officer for HR

The LWC is DBAG's main committee for all matters relating to the Living Wills program steering and governance. Responsibilities of the committee include:

- the governance of the global Living Wills program with respect to deliverables, timelines, budget, and the like;
- the development of the global Living Wills strategy, including assignment of respective responsibilities;

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- the oversight of the implementation of and compliance with global Living Wills requirements; and
- the mitigation of risks for the DB Group resulting from Living Wills-related requirements as well as the ongoing monitoring of the impact on the DB Group of emerging and developing regulations related to Living Wills.

The U.S. established a Living Wills Operating Committee which is responsible for the oversight, development, revision and maintenance of and compliance with the U.S. Resolution Plan. This Committee is made up of senior business and infrastructure managers who have identified key individuals as part of the U.S. Living Wills Working Group. The U.S. Living Wills Working Group is responsible for the development of the U.S. Resolution Plan. The U.S. Living Wills Operating Committee includes members with the following positions and titles:

Position/Title
Global Head of Resolution, Managing Director
Head of Independent Control Office, Managing Director
Bank Regulatory Compliance, Vice-President
Finance, Managing Director
Global Transaction Bank Americas Chief Operating Officer, Managing Director
CRO Americas, Managing Director
Head of U.S. Living Wills, Managing Director
Legal Counsel, Managing Director
Head of Treasury, Americas, Managing Director
CB&S Americas Chief Operating Officer, Managing Director
Chief Operations Officer DBSI, Managing Director
Head of Global Technology, Americas, Managing Director

In addition, support has been provided by the following teams:

- The U.S. Living Wills Working Group includes representatives from Divisional Business Support, the DB Group's Group Technology and Operations and each primary business, each of which is responsible for gathering key information related to their material entities, core business lines and critical operations, as applicable. Information these parties provide includes:
  - key geographic locations;
  - key internal financial and operational interconnections;
  - key people and information systems; and
  - FMU memberships.
- In addition, the DB Group's U.S. legal department helped to draft the DB Group's resolutions strategies, assisted the U.S. Living Wills Operating Committee in analyzing and complying with regulatory requirements and identified potential impediments to resolution strategies.



#### 4. Nature, Extent and Frequency of Reporting to Board and Senior Executive Officers Regarding Resolution Plan Development, Maintenance, Implementation, Filing and Compliance

The Global Living Wills team has engaged senior management of the businesses and infrastructure units in a series of bilateral conversations since the inception of the project in May 2011. In addition, the DB Group LWC, made up of senior management from across business lines and infrastructure functions, meets once per month to provide central oversight of the Living Wills initiative with discussion and decisions on strategy and respective implementation requirements. Regular updates are provided to the CRO to keep him apprised of the status and content of the Recovery and Resolution deliverables. Finally, formal updates on the Global Living Wills initiatives were presented to the DB Management Board and the Risk Committee of the Supervisory Board in April 2013. The semi-annual Living Wills management report update was submitted to the Management Board on September 10, 2013.

#### J. Description of Material Management Information Systems

The management information systems (“MIS”) represent a key component of the DB Group’s global technology organization, which enables the businesses in all regions to effectively manage information for the Risk Management, Accounting, Finance, Operations and Regulatory Reporting functions.

The DB Group’s global technology has a common set of reporting solutions and is managed through a global production support and infrastructure model. Specifically, the DB Group relies on internally developed and third-party systems. The DB Group has a global application repository, which stores and manages information for DB Group–owned and third-party systems and applications. Moreover, a Global Application Governance & Control Process ensures access and modifications.

Corporate Security and Business Continuity’s (“CSBC”) Business Continuity Policy establishes Crisis Management (“CM”) and Business Continuity Management (“BCM”) as an integral part of the DB Group’s normal business operations and risk management. Significant events or incidents that impact the DB Group require individual and flexible responses. The CM program provides a framework that can be used in conjunction with other response plans and/or procedures used by business/infrastructure groups.

The guiding principle for CSBC’s crisis management program is to ensure the continuity of critical DB Group businesses and functions in order to protect the franchise, mitigate risk, safeguard revenues and sustain both stable financial markets and client confidence. Integral to this process is the work conducted by the DB Group to prepare for crisis events, which includes BCM plans, alternate sites, multiple recovery strategies, yearly CM exercises and staff training.

During a crisis, information is escalated through updates to the respective CM teams and distributed down through the business/infrastructure functions.

A Business Continuity Management system (“eBCM”) warehouses documentation that assists in ensuring that in a crisis the DB Group maintains revenue streams, meets client expectations, and continues its role in global capital markets. The eBCM manages the development, implementation, testing and maintenance of effective business continuity and disaster recovery planning. It also provides a cross-reference of dedicated and shared systems and resources to the DB Group’s businesses.

The DB Group’s U.S. Resolution Plan focuses on key MIS associated with risk management, accounting, financial and regulatory reporting functions.

## Summary of Resolution Plan



The primary areas of focus are:

Area	Description / Usage
Market Risk Management	Identification and management of Market Risk through tools that: <ul style="list-style-type: none"> <li>• calculate PnL, risk sensitivities and VaR across all products</li> <li>• aggregate risk and valuations from all product based risk engines</li> <li>• aggregate risk and profit and loss calculations</li> <li>• present the data to the business area controller for daily signoff</li> <li>• facilitate stress testing</li> </ul>
Liquidity Risk Management	Tools that allow Treasury to aggregate liquidity information from multiple sources to manage: <ul style="list-style-type: none"> <li>• unsecured funding limits</li> <li>• maximum cash outflow limits</li> <li>• wholesale funding thresholds</li> <li>• internal transfer pricing</li> <li>• stress testing the DB Group's access to liquidity</li> </ul>
Operational Risk Management	Operational Risk Management has developed a number of tools to: <ul style="list-style-type: none"> <li>• perform bottom-up 360 degree Self Assessment Tool</li> <li>• identify risks at a granular level</li> <li>• calculate a risk score based on results of underlying Key Risk Indicators</li> <li>• operational performance against SLAs</li> <li>• calculate risk metrics for regulatory reporting</li> <li>• provide detailed reporting of operational risk issues for business and senior management</li> <li>• track the closure of operational risk issues</li> </ul>
Credit Risk Management	Credit Risk Management systems: <ul style="list-style-type: none"> <li>• receive feeds of position data from source systems</li> <li>• provide credit officers with an integrated view of client, industry and country risk</li> <li>• include a suite of tools to assist credit officers in their analysis of credit exposure</li> <li>• distribute daily reports to management to monitor key client risks</li> </ul>
Finance	Finance systems: <ul style="list-style-type: none"> <li>• aggregate all group financial, risk and tax information and data</li> <li>• provide a central MIS repository to manage finance reporting</li> <li>• deliver local reporting and data deliveries to Finance, Risk, Tax and the businesses</li> <li>• consolidate all information for external reporting</li> </ul>

### K. High-Level Description of Resolution Strategy Including Such Items as the Range of Potential Purchasers of the Company, Its Material Entities and Core Business Lines

The DB Group's U.S. Resolution Plan assumes that DBAG experiences a single, large and adverse event that is idiosyncratic to DBAG during a time when the U.S. and global financial systems are not experiencing a system-wide financial panic or crisis. The idiosyncratic event creates widespread concerns from market participants about the DB Group, which causes a rapid runoff of certain DB Group businesses. Within two weeks after the idiosyncratic event, DBAG, on a global consolidated basis, reaches the point of non-viability after the close of business on a Friday evening (New York time).

Upon the commencement of the resolution weekend, it is assumed that DBAG's home country regulator, the BaFin, transfers through the issuance of a Transfer Order, all or part of the assets, liabilities and material contracts of DBAG that are attributable to its non-U.S. business into a newly created German Bridge Bank established by the German Federal Financial Markets Stabilization Authority ("FMSA"). The transfer would exclude assets, liabilities, and material contracts relating to the DB Group's U.S. entities

## Summary of Resolution Plan



and operations, which are assumed to be left behind in the “rump bank” along with the DB Group’s non-critical operations outside the United States. It is assumed that the non-U.S. assets, liabilities and material contracts transferred into the German Bridge Bank would continue to operate in accordance with all applicable capital, liquidity and related regulatory requirements. In contrast, most of the U.S. material entities are assumed to fail after the close of business in the United States on the Friday that commences the resolution weekend and enter the applicable U.S. resolution proceedings. For those entities, it is assumed that the applicable receiver or administrator would take possession of their business and thereafter liquidate, sell or otherwise resolve them pursuant to the rules governing the applicable resolution regimes, which would include the New York State Banking Law, the Securities Investor Protection Act of 1970, the Federal Deposit Insurance Act and the U.S. Bankruptcy Code. The DB Group believes that all of the U.S. material entities, core business lines and critical operations could be resolved in an orderly manner with minimal systemic implications. While the DB Group has assumed the exclusion of the U.S. entities and operations from the Transfer Order in Germany in order to illustrate their treatment in the context of applicable U.S. resolution regimes, the DB Group does not believe this to be the probable or preferred outcome in the highly unlikely event of a group resolution scenario.