Free Translation of the Original German Audit Report

Report on the audit of a partial profit transfer agreement in accordance with § 293 b AktG

DEUTSCHE BANK AKTIENGESELLSCHAFT
Frankfurt/Main

March 31, 2011

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APPENDICES

LIST OF ABBREVIATIONS

Short	Full name
AG	Aktiengesellschaft [stock corporation]
AktG	Aktiengesetz [German Stock Corporation Act]
Deutsche Bank	DEUTSCHE BANK AKTIENGESELLSCHAFT, Frankfurt/Main
DBFLLC	Deutsche Bank Financial LLC, Delaware (USA)
DBNY	Branch office of Deutsche Bank in New York City, USA
LLC	Limited Liability Company
US-GAAP	United States Generally Accepted Accounting Principles

I. ENGAGEMENT AND PERFORMANCE OF THE ENGAGEMENT

By request of

DEUTSCHE BANK AKTIENGESELLSCHAFT, Frankfurt/Main
(hereinafter also referred to as "Deutsche Bank" or "bank")

and by resolution of February 14, 2011 (file number 3-5 O 9/11), the Frankfurt/Main district court (Landgericht) appointed us as contract auditor in accordance with § 293c para. 1 in connection with § 293b AktG (German Stock Corporation Act) regarding a scheduled partial profit transfer agreement between DEUTSCHE BANK AKTIENGESELLSCHAFT and Deutsche Bank Financial LLC, Delaware (USA), (hereinafter also referred to as "contract partner" or "DBFLLC").

Subject of our audit were the drafts agreements between Deutsche Bank and DBFLLC as attached in Appendix I that include a revenue sharing agreement and an operating agreement set up under the laws and regulations of the state of New York (USA).

The extent of our audit results from the german stock corporation law regulations and includes the evaluation of whether the regulations necessary for the contract type at hand are included.

We performed the audit in our Hamburg office in March 2011 until March 31, 2011. The legal representatives of Deutsche Bank provided us with all requested information and documents and confirmed their completeness in a letter of representation.

The performance of the audit and our responsibility — also towards third parties — are governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Accountancy Firms) as amended on January 1, 2002, and by our Special Conditions for the increase of liability in the scope of the General Engagement Terms dated January 1, 2002, as attached to this report in Appendix II. The increase in liability does not apply if a lesser liability limit for a professional service is specified by statutory provisions — particularly with respect to an audit required by law. In this case, the statutory limitation of liability must prevail.

II. LEGAL STATUS

The bank is registered with the Frankfurt/Main local court under no. HRB 30 000. It is managed under the legal form of a stock corporation. Registered office of the company is Frankfurt am Main.

The contract partner is a limited liability company (LLC) under the laws and regulations of the state of Delaware (USA). The company is registered under no. 3410898. Registered office of the company is Wilmington, Delaware (USA).

Upon establishment of the Revenue Sharing Agreement and the Operating Agreement Deutsche Bank and DBFLLC are entering into an agreement on a mutual investment into a legally independent business unit of Deutsche Bank and an obligation for Deutsche Bank to transfer a proportion of the profits of said business unit to DBFLLC. The amount to be transferred is a proportion of the result of Deutsche Bank's branch office in New York City, USA, (hereinafter also referred to as "DBNY") as well as of certain subsidiaries of Deutsche Bank identified in the Revenue Sharing and the Operating Agreement that form a unity with DBNY for US-tax reasons. The profit and loss participation of both parties is subject matter of the Revenue Sharing Agreement whereas the Operating Agreement governs organizational topics and includes regulations regarding management, control and influence rights with respect to the identified business unit.

III. SUBJECT, TYPE AND SCOPE OF THE AUDIT

1. Tasks of the contract auditor

The contracts to be concluded between Deutsche Bank and DBFLLC (Revenue Sharing Agreement and Operating Agreement) constitute an overall agreement and fulfill the criteria of the term other corporate agreement in accordance with § 292 para. 1 no. 2 AktG (partial profit transfer agreement).

The main task of the contract auditor is to determine whether the settlement or compensation suggested in a corporate agreement is appropriate (§ 293e para. 1 clause 2 AktG). The offer of an appropriate settlement or compensation (§§ 304, 305 AktG), however, is exclusively intended to apply to control or total profit transfer agreements (§ 291 AktG). Other corporate agreements in terms of § 292 AktG do not need to include regulations regarding a settlement or compensation to the extent to that they do not de facto constitute a total profit transfer or control agreement. Beyond that no further minimum requirements regarding the content are statutory for corporate agreements.

We audited the presented draft agreements with regard to whether they include the regulations necessary for the contract type of a partial profit transfer agreement and whether a settlement or compensation is owed on the basis of the agreements made.

In the course of our audit, we used — in addition to the draft agreements — the joint report on the corporate agreement in accordance with § 293a AktG of the board of directors of Deutsche Bank and the Board of Managers of DBFLLC in so far as it includes material statements with respect to the subject matter of our audit. Neither the joint report on the corporate agreement, any legal or economic statements included therein nor the evaluation of usefulness of the corporate agreement is subject of the contract audit in accordance with § 293b AktG.

In addition, we would like to point out that the achievement of the tax and supervisory law purposes listed in the recitals of the agreements as well as compliance with US-American laws and regulations were not subject matter of our audit.

2. Partial profit transfer agreement (revenue sharing agreement and operating agreement)

The revenue sharing agreement and operating agreement still to be concluded between the bank and the contract partner are attached to our report in the original English version in Appendix I.

Subject matter of the overall agreement consisting of Revenue Sharing Agreement and Operating Agreement is DBFLLC's participation in Deutsche Bank's US-business:

- The Revenue Sharing Agreement governs the contribution of capital to be effected by DBFLLC as well as the allocation of a profit or loss of Deutsche Bank's US-business to the contract partners.
- The Operating Agreement as organizational agreement includes, amongst others, regulations regarding the set up of management bodies for the US-business of Deutsche Bank as well as influence and control rights of DBFLLC.

Upon conclusion of the Revenue Sharing Agreement, Deutsche Bank pledges to — as consideration for the contribution to be made by DBFLLC into DBNY — transfer a proportion of the combined profit of DBNY and certain subsidiaries that are able to file a joint US federal tax return together with DBNY as the so-called "common parent" (section 2 (a) Revenue Sharing Agreement).

In accordance with section 1 Revenue Sharing Agreement, the contribution to be made by DBFLLC is initially scheduled at US$ 385 million and is to be paid per December 31, 2011. The contribution supposedly represents approximately 2% of DBNY's equity including certain subsidiaries of Deutsche Bank combined with DBNY. The proportion of Deutsche Bank's equity allocated to DBNY for the statement above — marked-off as equity under commercial law plus certain so-called trust preferred securities — was determined in the amount of the relative proportion of DBNY's assets weighed for risk purposes in accordance with bank supervisory regulations in relation to those of Deutsche Bank as a whole.

Section 2 (b), section 3 (b) and section 3 (d) Revenue Sharing Agreement set forth rules according to which DBFLLC — in the amount of its proportionate share (2%) — has to make subsequent payments to increase its contribution of capital or shall receive capital refunds in case the capital allocated to DBNY by Deutsche Bank increases or decreases. The change in capital of DBNY's equity that is decisive for such a subsequent payment or capital refund of DBFLLC is calculated as the difference between the proportion of Deutsche Bank's equity that is allocated to DBNY at the beginning and end of each year (defined as equity under commercial law plus certain so-called trust preferred securities). In this respect, the proportional share of Deutsche Bank's equity allocated to DBNY at the end of each period equals the proportional share of DBNY'saverage risk weighted assets in each concluded business year to those of Deutsche Bank as a whole but under consideration of transactions treated as contributions or withdrawals undertaken in the course of the business year like, for instance, payment of certain dividends of US subsidiaries (definition of Branch Equity included in section 1 Revenue Sharing Agreement).

As a basic rule, DBFLLC participates in the consolidated profits or losses of DBNY and those other companies constituting a consolidated unit with DBNY for US tax purposes corresponding to the amount of the fixed share of 2% (section 2 (a) in connection with section 1 Revenue Sharing Agreement). The determination of the consolidated result is carried out in accordance with US-GAAP.

In years in which a profit (determined in accordance with US-GAAP) is realized, a right to receive a distribution of the proportionate share allocable to DBFLLC is granted only to the extent to that losses possibly accumulated in prior years are balanced and the remaining amount does not exceed the maximum distribution of 11.5% of the deposit (Section 3 (a) Revenue Sharing Agreement and definition of the Distribution Amount in Section 1). Amounts exceeding the maximum distribution are not paid out but serve for balancing possible future losses allocable to DBFLLC.

Losses allocable to DBFLLC are brought forward to the extent to that they are not balanced with retained profit shares of prior years (i.e. those that exceeded the maximum distributable amount) or profits from later years. The losses neither decrease the amount of the contribution by DBFLLC, which is the assessment basis for the limitation of the distribution to 11.5%, nor do they directly influence DBFLLC's share (2%) in profits or losses.

Redemption is carried out in the amount of the contribution less possibly accrued and not yet balanced losses. DBFLLC's participation in the loss is limited to the extent of the contributed capital. An obligation to balance further losses does not exist. DBFLLC neither participates in retained profits that were not balanced by losses nor unrealized gains (section 3 (c) Revenue Sharing Agreement and definition of termination payment).

The term of both the Revenue Sharing Agreement and the Operating Agreement is indefinite. The term of the Revenue Sharing Agreement always expires upon expiration of the term of the Operating Agreement, which can be terminated by Deutsche Bank subject to a 30-day notice period per the end of each business year or automatically terminates at the end of that business year in which DBNY discontinues its operations. Termination by DBFLLC is not possible (section 1 Revenue Sharing Agreement in connection with the definition of termination date in section 1 Operating Agreement).

In the Operating Agreement, Deutsche Bank and DBFLLC agree that the responsibility for managing and monitoring DBNY's operations shall be transferred to a special management committee (board of directors) that initially consists of seven members (section 2 (a) Operating Agreement). The number of members of this board of directors shall always correspond with the number of members of the board of directors of Deutsche Bank.

DBFLLC is entitled to appoint one member. This right exists only to the extent to that DBFLLC can name a person that is both a member of Deutsche Bank's board of directors and member of the board of directors of DBFLLC. Deutsche Bank appoints all other members of the management committee for the US-business (section 2 (b) Operating Agreement). Resolutions of the management committee are made with simple majority of the members present (section 2 (c) Operating Agreement).

The establishment of the management committee does not affect Deutsche Bank's control of DBNY and of those subsidiaries combined with DBNY. Deutsche Bank is entitled to appoint the majority of the members and, in addition, the member appointed by DBFLLC shall also be a member of Deutsche Bank's board of directors at all times.

As a unit, Revenue Sharing Agreement and Operating Agreement basically oblige Deutsche Bank to transfer a proportion of the profits of a business unit (of DBNY and further subsidiaries consolidated with DBNY) to DBFLLC. DBFLLC is contractually entitled to receive payment of this partial profit in return for furnishing the agreed contribution. Partial profit transfer agreements of this sort do not need to include regulations regarding a settlement or compensation.

IV. AUDIT FINDINGS AND CONCLUSION

In accordance with the draft contract presented, DBFLLC's initial contribution in Deutsche Bank's New York branch amounts to US$ 385 million. The contribution is to be made by payment per December 31, 2011.

To the extent to that the equity allocated to DBNY by Deutsche Bank calculated on the basis of supervisory law principles changes, DBFLLC's contribution is subject to proportionate adjustment pursuant to it's share ratio by subsequent payments or capital refunds.

The agreements are concluded for an indefinite period but can be terminated by Deutsche Bank subject to a 30-day notice period per the end of each business year. The contract partner does not have a right to terminate.

DBFLLC's profit claim as consideration for the deposit is a fixed percentage rate (probably 2%) of the consolidated profit (determined in accordance with US-GAAP) of the New York branch of Deutsche Bank and those subsidiaries of Deutsche Bank that file a joint federal tax return in compliance with the US federal income tax regulations together with the New York branch as the mutual parent. Profit distributions to DBFLLC are limited to 11.5% of the deposit and on principle only payable to the extent to that no unbalanced loss participations resulting from prior years exist.

The Operating Agreement grants DBFLLC one of seven seats in a management committee established for DBNY and certain subsidiaries. This does not result in DBFLLC having control over DBNY or the subsidiaries.

Both the Revenue Sharing Agreement and the Operating Agreement basically grant a share in the profit of a business unit of Deutsche Bank. Regulations regarding a settlement or compensation do not have to be set forth in this type of contracts to the extent to that the contract does not include elements of a control agreement. Judging by the contents of the agreement at hand this is not the case. Taking into account the loss participation of the contract partner and the fact that the contract partner cannot — on principle — terminate the contracts, we do not consider the stipulations of the Revenue Sharing Agreement regarding the share in the profits of the consolidated result of DBNY and further subsidiaries to be inappropriate at this point.

On the basis of the documents presented (draft contracts of the Revenue Sharing Agreement and the Operating Agreement regarding the deposit of a contribution in the business of the New York branch of Deutsche Bank and the joint report of the board of directors of Deutsche Bank and the board of managers of DBFLLC) and the information and verifications provided, we render the following statement:

"The draft contracts of the Revenue Sharing Agreement and Operating Agreement regarding the deposit of a contribution in the business of the New York branch of Deutsche Bank constitute a corporate agreement in terms of § 292 para. 1 no. 2 AktG. In accordance with the contents of the agreement, regulations regarding settlement or compensation are not required."

Hamburg, March 31, 2011

BDO AG
Wirtschaftsprüfungsgesellschaft

sgd. Dr. Zemke	sgd. Butte
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

APPENDICES

REVENUE SHARING AGREEMENT

This **REVENUE SHARING AGREEMENT** (this "***Agreement***"), dated as of December 31, 2011 (the "***Effective Date***") is entered into by and among Deutsche Bank AG, a German Aktiengesellschaft ("***DBAG***"), and Deutsche Bank Financial LLC, a Delaware limited liability company ("***Affiliate***" and together with DBAG, the "***Parties***").

RECITALS

WHEREAS, DBAG is a stock corporation organized under the laws of Germany and is engaged in a wide range of banking and other financial activities;

WHEREAS, DBAG conducts some of its business activities through its New York Branch ("***DBNY***") and other of its business activities through corporate subsidiaries organized under the laws of various States of the United States;

WHEREAS, Taunus Corporation, a Delaware corporation ("***Taunus***"), is the ultimate United States parent company of substantially all of DBAG's United States subsidiaries (together with Taunus, the "***Taunus Group***");

WHEREAS, Taunus is a bank holding company within the meaning of the U.S. Bank Holding Company Act of 1956, as amended, and is subject to regulatory oversight by the United States Federal Reserve System and the New York State Banking Department;

WHEREAS, certain regulatory developments pursuant to the "Basel II" rules would require Taunus to change the method with which it reports bank regulatory capital;

WHEREAS, certain regulatory developments pursuant to the proposed "Basel III" rules will affect the way regulators will measure a bank's capital, which developments will require DBAG to take certain actions with respect to its United States banking operations conducted through DBNY;

WHEREAS, the Collins Amendment to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("***Dodd-Frank***") will require Taunus to take certain actions with respect to its ownership of DBAG's United States banking chain in order to avoid certain adverse regulatory capital consequences;

WHEREAS, certain actions required to be taken by DBAG as a result of Dodd-Frank could result in further adverse affects to DBAG as a result of other bank regulatory developments;

WHEREAS, DBAG has concluded that certain of the adverse consequences resulting from compliance with Dodd-Frank and other regulatory developments would be mitigated by entering into transactions with Affiliate that would result in a tax grouping of DBNY and the Taunus Group as a single taxpayer for United States federal income tax and state and local tax purposes;

WHEREAS, DBAG has concluded that managing the DBNY business through a Regional Executive Committee would be advantageous for both business and regulatory purposes.

WHEREAS, the Parties are entering into this Agreement for the purpose of establishing their sharing of net profits and net losses with respect to, and in relation to their interests in, the business of DBNY; and

WHEREAS, simultaneously with the execution of this Agreement, the Parties have entered into the Operating Agreement (defined below), setting forth certain rights and obligations of DBAG and Affiliate with respect to the business of DBNY;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement, the parties hereby agree as follows:

SECTION 1. Definitions. Capitalized terms not otherwise defined herein have the meaning set forth in this Section 1.

"***Additional Investment Amount***" has the meaning set forth in section 2(b).

"***Affiliate Share***" means Affiliate's two (2) percentage interest in the Net Profits and Net Losses of DBNY.

"***Assets***" and "***Liabilities***" means the assets and liabilities of DBNY as reflected on the books and records established and maintained by DBAG for DBNY as of the Effective Date, including the assets and liabilities of the Consolidated Group. The Assets and Liabilities as of the Effective Date are set forth on the balance sheet and attached hereto as Exhibit B. The Assets and Liabilities as of the Effective Date may be increased and decreased (other than in the ordinary course of business) only by an action of the Board as set forth in the Operating Agreement; *provided* that the Assets will be increased by any payments made by Affiliate pursuant to Section 2(b) hereof. In the event the Parties determine that the Assets and Liabilities as of the Effective Date are not accurately reflected on the balance sheet attached hereto as Exhibit B, the balance sheet will be revised and corrected as necessary to accurately reflect the Assets and Liabilities as of the Effective Date in accordance with Section 2(a) hereof.

"***Board***" has the meaning set forth in the Operating Agreement.

"***Branch Equity***" means the allocation to DBNY of DBAG's Total Equity pursuant to a risk-weighted capital allocation methodology calculated as of the date of the investment or at the end of the calendar year as the case may be, to be computed as follows: the product of (i) DBAG Total Equity multiplied by (ii) the quotient of (A) the average (for the calendar year) risk-weighted assets ("***RWA***") attributable to DBNY divided by (B) DBAG's total average (for the calendar year) RWA (under Basel II principles or such other principles then utilized by DBAG), also taking into account any additional amounts contributed (pursuant to section 2(b)) by or distributed (pursuant to sections 3(b) and 3(d)) to Affiliate during the calendar year.

"***Cap***" means eleven and one-half percent (11.5%) of the Investment Amount.

"***Code***" means the Internal Revenue Code of 1986, as amended from time to time.

"***Consolidated Group***" means the affiliated group of includible corporations that may, from time to time, join with DBNY as common parent in making a consolidated U.S. federal income tax return.

"***Cure***" has the meaning set forth in section 2(b).

"***DBAG Share***" means DBAG's percentage interest in the Net Profits and Net Losses of DBNY, calculated as follows: one hundred percent (100%) minus the Affiliate Share.

"***Default***" has the meaning set forth in section 2(b).

"***Distribution Amount***" means, with respect to any Profit Year, the lesser of the Cap or the Profits Based Distribution, reduced, but not below zero, by the Loss Amount.

"***Effective Date***" means for all purposes December 31, 2011.

"Excess Distribution" has the meaning set forth in section 3(d).

"***Excess Earnings***" means the excess, if any, of the Profits Based Distribution over the Cap.

"***Investment Amount***" means at any time, the amount of Affiliate's capital investment in DBNY, calculated as follows: the USD $385 million contributed by Affiliate to DBNY as set forth in section 2(a), increased by any and all Additional Investment Amounts described in section 2(b), and reduced, but not below zero, by any and all distributions from DBNY to Affiliate described in sections 3(b) and 3(d).

"***Liquidation Rights***" means the Investment Amount, reduced, but not below zero, by the Loss Amount.

"***Loss Amount***" means the aggregate of Loss Participations for the current and all prior Loss Years, reduced, but not below zero, by the aggregate of amounts by which the Distributions Amounts have been reduced in all prior Profit Years, and further reduced, but not below zero, by Undistributed Earnings.

"***Loss Limitation Amount***" has the meaning set forth in section 2(c).

"***Loss Participation***" means, for any Loss Year, the product of the Affiliate Share multiplied by any Net Loss of DBNY, to be pro rated for the first year from the date of the investment.

"***Loss Year***" means any year during the Term during which there is a Net Loss.

"***Modified GAAP***" means United States Generally Accepted Accounting Principles ("GAAP"), modified to reflect conventions adopted by DBAG in the ordinary course of preparing the financial statements of DBNY.

"***Net Assets***" means the excess, if any, of the fair market value of DBNY's Assets over its Liabilities, as reasonably determined by the Board.

"***Net Profits***" and "***Net Losses***" means, for each fiscal year or portion thereof, the net profits or net losses with respect to the Assets and Liabilities of DBNY as determined under Modified GAAP

"***Operating Agreement***" means the Operating Agreement, dated as of the date hereof and entered into between DBAG and Affiliate, a copy of which is attached hereto as Exhibit A.

"***Profits Based Distribution***" means, with respect to any Profit Year, the product of the Affiliate Share multiplied by DBNY's Net Profits (to be pro rated for the first year from the date of the Investment).

"***Profit Year***" means any year during the Term during which there is a Net Profit.

"***Regional Executive Committee***" has the meaning set forth in the Operating Agreement.

"***Return of Capital***" means the aggregate amount of any and all dividends in any year that DBNY receives for U.S. tax purposes from one or more subsidiaries and that it is required to distribute in that year (all such dividends received in a year, the "**Dividends**") to avoid application of Treasury Regulation section 1.894-1(d)(2).

"***Termination Date***" means the date set forth in the Operating Agreement.

"***Termination Payment***" has the meaning set forth in section 3(c).

"***Total Equity***" means DBAG, "Parent Company Only" Shareholders Equity, as shown on the DBAG Form 20-F (or as would be shown if the 20F were prepared on the date of the Investment), plus the book value of trust preferred securities qualifying as Tier 1 regulatory capital.

"***Treasury Regulation***" means the United States Income Tax Regulations promulgated under the United States Internal Revenue Code of 1986, as amended, as such regulations are amended from time to time.

"***Undistributed Earnings***" means, with respect to the current and all past Profit Years, the aggregate amount of all Excess Earnings.

SECTION 2. **Revenue Sharing.**

(a) The Parties hereby agree that in exchange for the contribution by Affiliate of the Investment Amount to DBNY, and subject to the terms of this Agreement, Affiliate is hereby granted for each year during the Term an interest in the Net Profits equal to the Distribution Amount and an interest in Net Losses equal to the Loss Participation attributable to the business activities of DBNY from the Effective Date until the Termination Date, as more fully set forth below. The Distribution Amount or Loss Participation is to be pro-rated for the first year from the Effective Date.

(b) In the event there is an increase during any year in Branch Equity (determined as of the last day of each calendar year by subtracting Branch Equity as determined for the immediately preceding calendar year from Branch Equity as determined for the current calendar year), then Affiliate will contribute to DBNY an amount that is equal to the Affiliate Share multiplied by such increase (the "***Additional Investment Amount***"). If necessary, valuations to calculate the Additional Investment Amount will be performed by person(s) or firm(s) designated by the Board (or the Regional Executive Committee, if so authorized by the Board), and the Additional Investment Amount shall be promptly provided to Affiliate by written (or electronic) notice. Failure by Affiliate to contribute an Additional Investment Amount pursuant to this section 2(b) within ten (10) days of such notice will constitute a default ("***Default***"). If such default continues for sixty (60) days after the date of written notice thereof has been given to Affiliate by DBAG, Affiliate will not be entitled to receive annual payments of the Distribution Amount for the year of Default and any subsequent year until such time as it makes contributions of any and all outstanding Additional Investment Amounts ("***Cure***"). Following Cure of a Default by Affiliate, Affiliate will be entitled to future annual payments of the Distribution Amount in years following the year of the Cure. The Additional Investment Amount shall be reflected in the Assets of DBNY and used in the conduct of DBNY's business. The Parties agree that any contribution made pursuant to this Section 2(b) will be treated as a contribution by Affiliate to the capital of DBNY in connection with the maintenance of its Affiliate Share in DBNY for United States tax purposes.

(c) The interest of Affiliate in the Net Losses of DBNY, equal in any Loss Year to the Loss Participation, is not intended to and does not subject Affiliate to a share of the Net Losses of DBNY that, in the aggregate for all such Loss Years, exceed an amount equal to the Investment Amount (the "***Loss Limitation Amount***"). This amount is to be pro-rated for the first year from the Effective Date. The excess, in any Loss Year, of the Loss Participation for such year over the Loss Limitation Amount is to be allocated, in such Loss Year, to DBAG. Other than its interest in the Net Losses of DBNY as described and limited in the preceding sentence, Affiliate has no obligation to bear the Net Losses of DBNY and nothing in this Agreement creates or imposes an obligation on Affiliate to reimburse or indemnify DBAG or DBNY for any losses of Affiliate or DBNY beyond the Loss Limitation Amount. Nothing in this Agreement imposes an obligation on DBAG to reimburse or indemnify Affiliate for any losses that it incurs in connection with its interest in DBNY.

(d) The parties hereby acknowledge that the interest in Net Profits and Net Losses acquired by Affiliate pursuant to this Section 2 does not represent an interest of a creditor in the assets of DBNY and that such interest is subordinate in all respects to all of the creditors of DBNY.

SECTION 3. Payments and Distributions.

(a) Affiliate will be entitled to receive, for any Profit Year, payments and distributions from DBNY equal to the Distribution Amount with respect to its interest in the Net Profits of DBNY for such year, pursuant to Section 2(f) of the Operating Agreement, to the extent that the Liquidation Rights exceed zero. DBAG will be entitled to receive, in any Profit Year, the DBAG Share for such year with respect to its interest in the Net Profits of DBNY, pursuant to Section 2(f) of the Operating Agreement.

(b) Affiliate, to the extent that the Liquidation Rights exceed zero, and DBAG each will be entitled to receive their respective pro rata shares of any Return of Capital in any year during which DBNY receives Dividends, pursuant to section 2(f) of the Operating Agreement.

(c) On the Termination Date, Affiliate will be entitled to receive a payment from DBNY in an amount equal to the Liquidation Rights (the "***Termination Payment***"), plus the current year Profit Based Distribution, if any. The remaining Net Assets of DBNY, along with any further Net Profits and Net Losses of DBNY, will thereafter no longer be subject to the sharing arrangement between DBAG and Affiliate set forth in this Agreement and the Operating Agreement.

(d) In the event there is a decrease during a year in Branch Equity (determined as of the last day of each calendar year by subtracting Branch Equity as determined for the current calendar year from Branch Equity as determined for the immediately preceding calendar year), then to the extent that the Liquidation Rights exceed zero, DBNY will distribute to Affiliate within sixty (60) days of such calculation an amount calculated for such prior year that is equal to the excess of (i) the product of the Affiliate Share multiplied by such decrease in Branch Equity for that year minus (ii) the sum of (A) the absolute value of the Loss Participation for that year plus (B) all Return of Capital payments made by DBNY to Affiliate pursuant to section 3(b) (such excess, the ***"Excess Distribution"***) for that year. If necessary, valuations to calculate the Excess Distribution will be performed by person(s) or firm(s) to be designated by the Board (or the Regional Executive Committee if so authorized by the Board).

SECTION 4. **Term.** This Agreement will remain in effect until the Termination Date.

SECTION 5. **Tax Treatment**. The parties intend and agree that as a result of the transactions effected by this Agreement and the Operating Agreement DBNY will constitute a "business entity" for purposes of Treasury Regulation § 301.7701-1 *et seq.*. The Parties further agree (as set out more fully in the Operating Agreement) that an election pursuant to Treasury Regulation § 301.7701-3 will be filed on behalf of DBNY pursuant to which DBNY will elect to be treated as an association taxable as a corporation for United States federal income tax purposes.

SECTION 6. **No Agency Relationship.** This Agreement does not purport to, and the Parties agree that it does not, establish an agency relationship between DBNY and Affiliate.

SECTION 7. **Modifications and Waivers.** No supplement, modification, waiver, or termination of this Agreement or any provision hereof shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

SECTION 8. **Consent to Jurisdiction.** By execution hereof, each party hereby consents to the non-exclusive jurisdiction of the courts of the State of New York with respect to any matter or action arising out of or in connection with this Agreement. Each party hereto

hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any such suit, legal action, or proceeding brought in any such court that such action has been brought in an inconvenient forum and hereby consents to the service of process by mail.

SECTION 9. **Governing Law.** Pursuant to N.Y. Gen. Oblig. Law § 5-1401, the Parties agree that this Agreement shall be governed by the laws of the State of New York, without giving effect to principles of conflict of laws of that State.

SECTION 10. **Binding Effect**. The provisions of this Agreement shall survive closing of the assignments and shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties to this Agreement.

SECTION 11. Transferability. The rights and obligations of each of the Parties under this Agreement may be transferred or assigned only upon written consent of each other Party, which consent may be given or withheld in the sole discretion of each other Party.

SECTION 12. **Execution of Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which shall together constitute one and the same instrument.

SECTION 13. **Further Assurances.** Each party will do such acts, and execute and deliver to any other party such additional documents or instruments as may be reasonably requested in order to effect the purposes of this Agreement and to better assure and confirm to the requesting party its rights, powers and remedies under this Agreement.

SECTION 14. **Entire Agreement.** This Agreement (including the Exhibits) constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties with respect to the subject matter hereof.

[***SIGNATURE PAGE FOLLOWS***]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first-above stated.

DEUTSCHE BANK AG

_____
Name:
Title:

_____
Name:
Title:

DEUTSCHE BANK FINANCIAL LLC

_____
Name:
Title:

_____
Name:
Title:

EXHIBIT A

OPERATING AGREEMENT

OPERATING AGREEMENT

This **OPERATING AGREEMENT** (this ***"Agreement"***), dated as of December 31, 2011 (the ***"Effective Date"***) is entered into by and among Deutsche Bank AG, a German AktienGesellschaft ("***DBAG***"), and Deutsche Bank Financial LLC, a Delaware limited liability company ("***Affiliate***" and together with DBAG, the "***Parties***").

RECITALS

WHEREAS, DBAG is a stock corporation organized under the laws of Germany and is engaged in a wide range of banking and other financial activities;

WHEREAS, DBAG conducts some of its business activities through its New York Branch ("***DBNY***") and other of its business activities through corporate subsidiaries organized under the laws of various States of the United States;

WHEREAS, Taunus Corporation, a Delaware corporation ("***Taunus***"), is the ultimate parent company of substantially all of DBAG's United States subsidiaries (together with Taunus, the "***Taunus Group***");

WHEREAS, Taunus is a bank holding company within the meaning of the U.S. Bank Holding Company Act of 1956, as amended, and is subject to regulatory oversight by the United States Federal Reserve System and the New York State Banking Department;

WHEREAS, certain regulatory developments pursuant to the "Basel II" rules would require Taunus to change the method with which it reports bank regulatory capital;

WHEREAS, certain regulatory developments pursuant to the proposed "Basel III" rules will affect the way regulators will measure a bank's capital, which developments will require DBAG to take certain actions with respect to its United States banking operations conducted through DBNY;

WHEREAS, the Collins Amendment to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("***Dodd-Frank***") will require Taunus to take certain actions with respect to its ownership of DBAG's United States banking chain in order to avoid certain adverse regulatory capital consequences;

WHEREAS, certain actions required to be taken by DBAG as a result of Dodd-Frank could result in further adverse affects to DBAG as a result of other bank regulatory developments;

WHEREAS, DBAG has concluded that certain of the adverse consequences resulting from compliance with Dodd-Frank and other regulatory developments would be mitigated by entering into transactions with Affiliate that would result in a tax grouping of DBNY and the Taunus Group as a single taxpayer for United States federal income tax and state and local tax purposes;

WHEREAS, DBAG has concluded that managing the DBNY business through a Regional Executive Committee would be advantageous for both business and regulatory purposes.

WHEREAS, simultaneously with the execution of this Agreement, the Parties have entered into a Revenue Sharing Agreement (defined below) setting forth their sharing of net profits and net losses with respect to, and in relation to their interests in, the business of DBNY;

WHEREAS, the Parties are entering into this Agreement for the purpose of establishing their rights and obligations with respect to, and in relation to their interests in, the business of DBNY as reflected in this Agreement and the Revenue Sharing Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth in this Agreement, the parties hereby agree as follows:

SECTION 1. **Definitions**. Capitalized terms not otherwise defined herein have the meaning set forth in this Section 1.

"***Regional Executive Committee***" means the committee appointed by the Board and that is charged with managing the day to day affairs of DBNY.

"***Revenue Sharing Agreement***" means the Revenue Sharing Agreement, dated as of the date hereof and entered into between DBAG and Affiliate, a copy of which is attached hereto as Exhibit A.

"***Termination Date***" means the earlier of the end of the fiscal year of DBAG (the "***Year***") (i) in which DBNY permanently ceases to conduct business activity, or (ii) during which DBAG provides written notice to the Affiliate that it desires to terminate this Agreement; provided however, if such written notice is provided within the last thirty (30) days of such Year, the end of the following Year.

"***Treasury Regulation***" means the United States Income Tax Regulations promulgated under the United States Internal Revenue Code of 1986, as amended, as such regulations are amended from time to time.

SECTION 2. Management of DBNY.

(a) Board of Directors. The parties hereby agree that management and control of the business of DBNY will be vested in a board of directors (the "***Board***"), which will initially consist of seven (7) members (each, a "***Member***"), such number subject to change to always be equal to the number of members of the management board of DBAG (the "***Vorstand***").

(b) Members. Affiliate will be entitled to elect one (1) Member (the "***Affiliate Member***"), provided that the Affiliate Member must be both (i) a member of Affiliate's board of directors and (ii) a member of the Vorstand. If Affiliate cannot satisfy that appointment condition, then DBAG shall have the right to appoint the Affiliate Member. DBAG will be entitled to elect the remaining six (6) Members (the "DBAG Members"), subject to a

change in the number of Members as described in section 2(a). Each Member will be entitled to one (1) vote with respect to any matter presented to the Members for their action or consideration at any meeting of the Board.

(c) Meetings and Quorum.

(i) **Place and Time of Meeting**. The meetings of the Board will be held in New York City, NY in the offices at which DBNY conducts its business, unless some other place within the United States is designated in the notice of the meeting. The Board will meet on an annual basis and such other times as it determines.

(ii) **Action by Written Consent**. Any action required or permitted to be taken by the Board may be taken without a meeting and will have the same force and effect as if taken by a vote of the Board at a meeting properly called and noticed, if authorized by the written consent of the number of the members of the Board as would be required to approve the action at a meeting of the Board. In no instance where action is authorized by written consent need a meeting of the Board be called or noticed. A copy of the action taken by written consent must be filed with the records of DBNY. The written consent may be executed in one or more counterparts and by facsimile, and each consent so executed shall be deemed an original.

(iii) **Quorum**. No action may be taken at a meeting of the Board unless a quorum of at least fifty (50) percent of its Members is present. If a quorum is present at any meeting of the Board, a majority vote of the Members present at the meeting will be the act of the Board. Except as otherwise provided in this Agreement, the action of a majority of the Members of the Board present in person or by proxy at any meeting at which there is a quorum, when duly assembled, is valid.

(d) Powers of the Board. The Board will have the right, power and authority to take any and all actions which the Board deems necessary, useful, or appropriate for the day-to-day management of the business of DBNY, including the rights and powers, without limitation, to:

(i) adopt rules and regulations necessary for the conduct of the meetings of the Board and the management of the affairs of DBNY, including adopting governance guidelines and committee charters, and appointing a Regional Executive Committee;

(ii) adopt, amend, or repeal by-laws or operating guidelines of DBNY;

(iii) adopt and implement management succession plans;

(iv) select, appoint, dismiss, review and evaluate the performance, including reviewing management compensation, of the senior executives and officers of DBNY;

(v) review and approve significant transactions, including the acquisition of additional assets by DBNY or a sale or disposition of DBNY's assets, in each case other than in the ordinary course of DBNY's business;

(vi) liquidate or dissolve DBNY;

(vii) cause DBNY to make contracts and incur liabilities, borrow money at such rates of interest it may determine, and secure any of its obligations by mortgage or pledge of all or any of its property or any interest therein, wherever situated;

(viii) establish risk limits regarding proprietary positions and review budgets and business projections;

(ix) subject to Section 2(f), certify annual distributions and make all payments and distributions to DBAG and Affiliate in respect of their respective interests in the net profits and net losses of DBNY, or designate a person who has this power and who is subject to the supervision of the Board; and

(x) charge the Regional Executive Committee with managing DBNY's daily affairs, including, but not limited to (i) the rights and powers listed in this section 2(d) and (ii) exercising the voting rights with respect to any subsidiary owned, for U.S. tax purposes, by DBNY.

(e) Actions Requiring Affiliate Consent. Notwithstanding any provision to the contrary in this Agreement, the Board or the Regional Executive Committee may not take any of the following actions without first obtaining the written consent of Affiliate:

(i) Any act that would be in contravention of this Agreement or the Revenue Sharing Agreement; and

(ii) Perform any act that would subject Affiliate to liability for the liabilities or obligations of DBNY or subject Affiliate to losses of DBNY in an amount beyond that to which it is subject pursuant to the terms of the Revenue Sharing Agreement.

(f) Distribution and Payments from DBNY. The Board or the Regional Executive Committee will distribute money or other property of DBNY (i) to the Parties pursuant to this Section 2 on an annual basis, upon certification by the Board or Regional Executive Committee, which certification shall be effectuated on a timely basis, in amounts described in Section 3(a) of the Revenue Sharing Agreement, or (ii) to Affiliate within 60 days after calculating a decrease in Branch Equity the Excess Distribution (as such terms are defined in the Revenue Sharing Agreement) as described in Section 3(d) of the Revenue Sharing Agreement, or (iii) to Affiliate on the Termination Date in the amount described in Section 3(c) of the Revenue Sharing Agreement, and the Parties agree that no such distributions or payments will or may be made other than pursuant to this Section 2(f) or Section 3 of the Revenue Sharing Agreement. The distributions and payments described in Sections 3(a) and 3(b) of the Revenue Sharing Agreement and made pursuant to this Section 2(f) must be made such that DBAG

receives an amount of money or property with an aggregate fair market value (as reasonably determined by person(s) or firm(s) to be designated by the Board (or the Regional Executive Committee, if so authorized by the Board)) equal to the DBAG Share of the aggregate amount of money and fair market value of property being distributed or paid, as DBAG's share of Net Profits or as DBAG's pro rata share of any Return of Capital, as the case may be, and Affiliate receives an amount of money or property with an aggregate fair market value (as reasonably determined by person(s) or firm(s) to be designated by the Board (or the Regional Executive Committee, if so authorized by the Board)) equal to the Distribution Amount or Affiliate's pro rata share of any Return of Capital, as the case may be. Any property of DBNY distributed pursuant to this Section 2(f) will thereafter no longer be subject to the sharing arrangement between the Parties as set forth in this Agreement and the Revenue Sharing Agreement.

SECTION 3. Income Tax Treatment and Reporting.

(a) Entity Status. The parties intend and agree that as a result of the transactions effected by this Agreement and the Revenue Sharing Agreement, DBNY will constitute a "business entity" for purposes of Treasury Regulation § 301.7701-1 *et seq*.. The Parties further agree that the Board or its designee, or the Regional Executive Committee or its designee, and the Parties will file an Internal Revenue Service Form 8832 pursuant to which DBNY will elect to be classified as an association taxable as a corporation for United States federal income tax purposes.

(b) Tax Returns and Reports. The Board or the Regional Executive Committee shall cause to be prepared and timely filed all United States federal, state and local income tax returns and reports required to be filed by the DBNY consistent with its classification as a corporation.

SECTION 4. **Term**. This Agreement will remain in effect until Termination Date. On the Termination Date, the Board or the Regional Executive Committee shall cause DBNY to pay to Affiliate the Termination Payment pursuant to Section 3 of the Revenue Sharing Agreement.

SECTION 5. **No Agency Relationship**. This Agreement does not purport to, and the Parties agree that it does not establish an agency relationship between DBNY and Affiliate.

SECTION 6. Modifications and Waivers. No supplement, modification, waiver, or termination of this Agreement or any provision hereof shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

SECTION 7. Consent to Jurisdiction. By execution hereof, each party hereby consents to the non-exclusive jurisdiction of the courts of the State of New York with respect to any matter or action arising out of or in connection with this Agreement. Each party hereto hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any such suit, legal action, or proceeding brought in any such court that such action has been brought in an inconvenient forum and hereby consents to the service of process by mail.

SECTION 8. Governing Law. Pursuant to N.Y. Gen. Oblig. Law § 5-1401, the Parties agree that this Agreement shall be governed by the laws of the State of New York, without giving effect to principles of conflict of laws of that State.

SECTION 9. Binding Effect. The provisions of this Agreement shall survive closing of the assignments and shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties to this Agreement.

SECTION 10. Transferability. The rights and obligations of each of the Parties under this Agreement may be transferred or assigned only upon written consent of each other Party, which consent may be given or withheld in the sole discretion of each other Party.

SECTION 11. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which shall together constitute one and the same instrument.

SECTION 12. Further Assurances. Each party will do such acts, and execute and deliver to any other party such additional documents or instruments as may be reasonably requested in order to effect the purposes of this Agreement and to better assure and confirm to the requesting party its rights, powers and remedies under this Agreement.

SECTION 13. Entire Agreement. This Agreement (including the Exhibits) constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties with respect to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first-above stated.

DEUTSCHE BANK AG

_____
Name:
Title:

_____
Name:
Title:

DEUTSCHE BANK FINANCIAL LLC

_____
Name:
Title:

_____
Name:
Title:

EXHIBIT B

ASSETS AND LIABILITIES

DRAFT

DBNY Branch Including Consolidated Group
Combined Balance Sheet
December 31, 2011
(in US GAAP, thousands USD)

Total Assets	
Total Liabilities	
Total Shareholders' Equity	
Total Minority Interest	
Total Equity	
Total Liabilities and Equity	

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2002

This is an English translation of the German text, which is the sole authoritative version

1. Scope

(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits, consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements.

(2) If, in an individual case, as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client, the provisions of No. 9 below also apply to such third parties.

2. Scope and performance of the engagement

(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services – not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement.

(2) The application of foreign law requires – except for financial attestation engagements – an express written agreement.

(3) The engagement does not extend – to the extent it is not directed thereto – to an examination of the issue of whether the requirements of tax law or special regulations, such as, for example, laws on price controls, laws limiting competition and Bewirtschaftungsrecht [laws controlling certain aspects of specific business operations] were observed; the same applies to the determination as to whether subsidies, allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the defalcation of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing.

(4) If the legal position changes subsequent to the issuance of the final professional statement, the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom.

3. The client's duty to inform

(1) The client must ensure that the Wirtschaftsprüfer – even without his special request – is provided, on a timely basis, with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records, events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request, the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete.

4. Ensuring independence

The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account.

5. Reporting and verbal information

If the Wirtschaftsprüfer is required to present the results of his work in writing, only that written presentation is authoritative. For audit engagements the long-form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding.

6. Protection of the Wirtschaftsprüfer's intellectual property

The client guarantees that expert opinions, organizational charts, drafts, sketches, schedules and calculations – expecially quantity and cost computations – prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes.

7. Transmission of the Wirtschaftsprüfer's professional statement

(1) The transmission of a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms.

The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given.

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted; an infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client.

8. Correction of deficiencies

(1) Where there are deficiencies, the client is entitled to subsequent fulfillment [of the contract]. The client may demand a reduction in fees or the cancellation of the contract only for the failure to subsequently fulfill [the contract]; if the engagement was awarded by a person carrying on a commercial business as part of that commercial business, a government-owned legal person under public law or a special government-owned fund under public law, the client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure to subsequently fulfill [the contract]. No. 9 applies to the extent that claims for damages exist beyond this.

(2) The client must assert his claim for the correction of deficiencies in writing without delay. Claims pursuant to the first paragraph not arising from an intentional tort cease to be enforceable one year after the commencement of the statutory time limit for enforcement.

(3) Obvious deficiencies, such as typing and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) may be corrected – and also be applicable versus third parties – by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw – also versus third parties – such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible.

9. Liability

(1) The liability limitation of § ["Article"] 323 (2)["paragraph 2"] HGB ["Handelsgesetzbuch": German Commercial Code] applies to statutory audits required by law.

(2) Liability for negligence; An individual case of damages

If neither No. 1 is applicable nor a regulation exists in an individual case, pursuant to § 54a (1) no. 2 WPO ["Wirtschaftsprüferordnung": Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims of compensatory damages of any kind – except for damages resulting from injury to life, body or health – for an individual case of damages resulting from negligence is limited to € 4 million; this also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(3) Preclusive deadlines

A compensatory damages claim may only be lodged within a preclusive deadline of one year of the rightful claimant having become aware of the damage and of the event giving rise to the claim – at the very latest, however, within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence.

The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits.

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10. Supplementary provisions for audit engagements

(1) A subsequent amendment or abridgernent of the financial statements or management report audited by a Wirtschaftsprüfer and accompanied by an auditor's report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor's report, a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer's written consent and using the wording authorized by him.

(2) If the Wirtschaftsprüfer revokes the auditor's report, it may no longer be used. If the client has already made use of the auditor's report, he must announce its revocation upon the Wirtschaftsprüfer's request.

(3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11. Supplementary provisions for assistance with tax matters

(1) When advising on an individual tax issue as well as when furnishing continuous tax advice, the Wirtschaftsprüfer is entitled to assume that the facts provided by the client – especially numerical disclosures – are correct and complete; this also applies to bookkeeping engagements. Nevertheless, he is obliged to inform the client of any errors he has discovered.

(2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer, on a timely basis, all supporting documents and records – especially tax assessments – material to meeting the deadlines, so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.

(3) In the absence of other written agreements, continuous tax advice encompasses the following work during the contract period:

a) preparation of annual tax returns for income tax, corporation tax and business tax, as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client

b) examination of tax assessments in relation to the taxes mentioned in (a)

c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)

e) participation in Einspruchs- und Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a).

In the afore-mentioned work the Wirtschaftsprüfer takes material published legal decisions and administrative interpretations into account.

(4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.

(5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:

a) the treatment of nonrecurring tax matters, e. g. in the field of estate tax, capital transactions tax, real estate acquisition tax

b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and

c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like.

(6) To the extent that the annual sales tax return is accepted as additional work, this does not include the review of any special accounting prerequisities nor of the issue as to whether all potential legal sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12. Confidentiality towards third parties and data security

(1) Pursuant to the law the Wirtschaftsprüfer is obliged to treat all facts that he comes to know in connection with his work as confidential, irrespective of whether these concern the client himself or his business associations, unless the client releases him from this obligation.

(2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.

(3) The Wirtschaftsprüfer is entitled – within the purposes stipulated by the client – to process personal data entrusted to him or allow them to be processed by third parties.

13. Default of acceptance and lack of cooperation on the part of the client

If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer's right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected, even if the Wirtschaftsprüfer does not exercise his right to cancel.

14. Remuneration

(1) In addition to his claims for fees or remuneration, the Wirtschaftsprüfer is entitled to reimbursement of his outlays: sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.

(2) Any set off against the Wirtschaftsprüfer's claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15. Retention and return of supporting documentation and records

(1) The Wirtschaftsprüfer retains, for ten years, the supporting documents and records in connection with the completion of the engagement – that had been provided to him and that he has prepared himself – as well as the correspondence with respect to the engagement.

(2) After the settlement of his claims arising from the engagement, the Wirtschaftsprüfer, upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16. Applicable law

Only German law applies to the engagement, its conduct and any claims arising therefrom.

SPECIAL CONDITIONS FOR THE INCREASE OF THE LIABILITY UNDER THE GENERAL ENGAGEMENT TERMS AS OF JANUARY 1, 2002

The amounts of EUR 4 Mio. and EUR 5 Mio., respectively, as provided for in No. 9 par. 2 of the attached General Engagement Terms are uniformly substituted by the amount of EUR 5 Mio.

If, in the client's opinion, the foreseeable contractual risk will be considerably higher than EUR 5 Mio., BDO AG Wirtschaftsprüfungsgesellschaft will agree, at the client's request, to offer to the client an increased liability limit if and to the extent the liability insurance for the increased amount can be obtained from a German professional liability insurer; the premium expense arising out of an increased liability will be subject to a separate agreement.

The above mentioned provisions are not applicable when a greater or lesser liability limit has been provided by law for the respective professional service, particularly in connection with a statutory audit. In such a case the statutory liability regulations continue to be applicable.

If various causes of damage occur, BDO AG Wirtschaftsprüfungsgesellschaft is liable within the scope of the increased liability limit only to the extent that causation can be attributed to BDO AG Wirtschaftsprüfungsgesellschaft or its employees in relation to other causes relevant to the damage. This applies in particular in the case of a joint assignment with other auditors. If, as agreed by the client, a third party is engaged for the execution of an assignment BDO AG Wirtschaftsprüfungsgesellschaft will only be liable for negligence in connection with the selection of that third party.

BDO AG
Wirtschaftsprüfungsgesellschaft