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In re DEUTSCHE BANK AG SECURITIES :  
LITIGATION : Master File No. 1:09-cv-01714-DAB-RWL  
: CLASS ACTION  
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This Document Relates To: :  
ALL ACTIONS. :  
\_\_\_\_\_  
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**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION**

**TO: ALL PERSONS OR ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED THE 7.35% NONCUMULATIVE TRUST PREFERRED SECURITIES OF DEUTSCHE BANK CAPITAL FUNDING TRUST X, AND/OR THE 7.60% TRUST PREFERRED SECURITIES OF DEUTSCHE BANK CONTINGENT CAPITAL TRUST III, PURSUANT OR TRACEABLE TO THE PUBLIC OFFERINGS THAT COMMENCED ON OR ABOUT NOVEMBER 6, 2007 AND FEBRUARY 14, 2008 (THE “CLASS OFFERINGS”)**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED (IF MAILED) OR RECEIVED (IF SUBMITTED ONLINE) ON OR BEFORE JUNE 10, 2020.**

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Southern District of New York (the “Court”). The purpose of this Notice is to inform you of: (i) the pendency of this class action (the “Litigation”) between Class Plaintiffs Norbert G. Kaess and Maria Farruggio (collectively, “Class Plaintiffs”) and Defendants Deutsche Bank AG, the DB Defendants<sup>1</sup> and the Underwriter Defendants<sup>2</sup> (collectively, “Defendants”); (ii) the proposed \$18.5 million settlement reached therein (the “Settlement”); and (iii) the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and Lead Counsel’s application for attorneys’ fees and expenses (which may include Class Plaintiffs’ request for an amount pursuant to 15 U.S.C. §77z-1(a)(4) in connection with their representation of the Class). This Notice describes what steps you may take in relation to the Settlement and this class action.<sup>3</sup>

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Litigation as to Defendants or the merits of the claims or defenses asserted by or against Defendants. This Notice is solely to advise you of the proposed Settlement of the Litigation and of your rights in connection therewith.

<sup>1</sup> “DB Defendants” are Deutsche Bank Contingent Capital LLC II, Deutsche Bank Contingent Capital Trust II, Deutsche Bank Capital Funding Trust IX, Deutsche Bank Capital Funding LLC IX, Deutsche Bank Capital Funding LLC X, Deutsche Bank Capital Funding Trust X, Deutsche Bank Contingent Capital LLC III, Deutsche Bank Contingent Capital Trust III, Deutsche Bank Contingent Capital LLC V, Deutsche Bank Contingent Capital Trust V, Deutsche Bank Capital Funding LLC VIII, Deutsche Bank Capital Funding Trust VIII, Josef Ackermann, Jonathan Blake, Hugo Banziger, Anthony Di Iorio, Martin Edelmann, Hermann-Josef Lamberti, Rainer Rauleder, Peter Sturzingger, and Marco Zimmermann.

<sup>2</sup> “Underwriter Defendants” are UBS Securities LLC, Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, individually and as successor by merger to defendant Banc of America Securities LLC, Wachovia Capital Markets, LLC (n/k/a Wells Fargo Securities, LLC), Morgan Stanley & Co., and Deutsche Bank Securities Inc.

<sup>3</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated November 11, 2019 (the “Stipulation”), which is available on the website [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com).

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A PROOF OF CLAIM</b>	The only way to be eligible to receive a payment from the Settlement. <b>Proofs of Claim must be postmarked (if mailed) or received (if submitted online) on or before June 10, 2020.</b>
<b>EXCLUDE YOURSELF</b>	Get no payment. This is the only option that <i>potentially</i> allows you to ever be part of any other lawsuit against Defendants or any other Released Persons related to the legal claims being resolved by this Settlement. <b>Exclusions must be postmarked on or before May 21, 2020.</b>
<b>OBJECT</b>	Write to the Court about why you do not like the Settlement, the Plan of Allocation and/or the request for attorneys' fees and expenses to Lead Counsel or Class Plaintiffs. You will still be a Member of the Class. <b>Objections must be received by the Court and counsel for the Settling Parties on or before May 21, 2020.</b>
<b>GO TO THE HEARING ON JUNE 11, 2020</b>	Ask to speak in Court about the fairness of the Settlement. <b>Requests to speak must be received by the Court and counsel for the Settling Parties on or before May 21, 2020.</b>
<b>DO NOTHING</b>	Receive no payment. You will, however, still be a Member of the Class, which means that you give up your right to ever be part of any other lawsuit against Defendants or any other Released Persons about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Litigation.

### **SUMMARY OF THIS NOTICE**

#### **Statement of Class Recovery**

Pursuant to the Settlement described herein, an \$18.5 million settlement fund has been established (the "Settlement Amount"). The Settlement Amount and any interest earned thereon is the "Settlement Fund." Based on Class Plaintiffs' estimate of the number of allegedly damaged shares of securities purchased by Class Members in the Class Offerings, the average distribution per share under the Plan of Allocation is roughly \$1.44 for the 7.35% Preferred Securities and \$0.24 for the 7.60% Preferred Securities, before deduction of any taxes on the income earned on the Settlement Amount, notice and administration costs, and allowable attorneys' fees and expenses as determined by the Court. **Class Members should note, however, that these are only estimates.** A Class Member's actual recovery will be a proportion of the Net Settlement Fund determined by that claimant's claims as compared to the total claims of all Class Members who submit acceptable Proofs of Claim. An individual Class Member may receive more or less than this estimated average amount. See Plan of Allocation set forth and discussed at pages 10-12 below for more information on the calculation of your claim.

#### **Statement of Potential Outcome of Case**

The Settling Parties disagree on both liability and damages and do not agree on the amount of damages that would be recoverable if the Class prevailed on each claim alleged. Defendants have denied and continue to deny specifically each and all of the claims and contentions alleged in the Litigation. Defendants deny that they are liable to the Class and deny that the Class has suffered any damages. The issues on which the Settling Parties disagree are many, but include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the price of the securities purchased in the Class Offerings were allegedly artificially inflated (if at all) at the time of purchase; (4) the effect of various market forces on the price of those securities at the time of the Class Offerings; (5) the extent to which external factors influenced the price of those securities at the time of the Class Offerings; (6) the extent to which the various matters that Class Plaintiffs alleged were materially false or misleading influenced (if at all) the price of those securities at the time of the Class Offerings; and (7) the extent to which the various allegedly adverse material facts that Class Plaintiffs alleged were omitted influenced (if at all) the price of those securities at the time of the Class Offerings.

#### **Statement of Attorneys' Fees and Expenses Sought**

Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of the Class Plaintiffs and the Members of the Class, nor have they been paid for their litigation expenses. If the Settlement is approved by the Court, Lead Counsel will apply to the Court for an award of attorneys' fees not to exceed one-third of the Settlement Amount and expenses not to exceed \$1,300,000, plus interest earned on the awarded amounts at the same rate as earned by the Settlement Fund. Since the Litigation's inception, Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this Litigation on a wholly contingent basis and have advanced the expenses of the Litigation with no expectation of payment unless they were

successful in obtaining a recovery for the Class. These fees and expenses, if awarded by the Court at the maximum amounts identified in this paragraph, amount to an average cost of approximately \$0.58 per allegedly damaged share of the 7.35% Preferred Securities and \$0.10 per allegedly damaged share of the 7.60% Preferred Securities purchased in the Class Offerings. The average cost per damaged security will vary depending on the number of acceptable Proofs of Claim submitted. In addition, Class Plaintiffs have expended considerable time and resources in leading the prosecution of this Litigation since their appointment by the Court. Accordingly, as part of Lead Counsel's application for an award of fees and expenses, Class Plaintiffs may seek an award pursuant to 15 U.S.C. §77z-1(a)(4) in connection with their representation of the Class in an amount not to exceed \$20,000 in the aggregate.

### **Further Information**

For further information regarding the Litigation, this Notice or to review the Stipulation, please contact the Claims Administrator toll-free at 1-866-476-7307, or visit the website [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com).

You may also contact a representative of counsel for the Class: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, [www.rgrdlaw.com](http://www.rgrdlaw.com).

### **Please Do Not Call the Court or Defendants with Questions About the Settlement.**

### **Reasons for the Settlement**

Class Plaintiffs' principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial and additional appeals, a process that could last several years into the future. For Defendants, which have denied and continue to deny all allegations of liability, fault or wrongdoing whatsoever in connection with this matter, the principal reason for entering into the Settlement is to eliminate the uncertainty, costs and burdens inherent in any litigation, especially in complex cases such as this Litigation.

## **BASIC INFORMATION**

### **1. Why did I get this Notice package?**

This Notice was sent to you pursuant to an order of a U.S. District Court because you or someone in your family or an investment account for which you serve as custodian may have purchased or acquired securities in the Class Offerings.

This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights in connection with the Settlement, what benefits are available, who is eligible for them and how to get them.

The Court in charge of the Litigation is the United States District Court for the Southern District of New York, and the case is known as *In re Deutsche Bank AG Securities Litigation*, Master File No. 1:09-cv-01714-DAB-RWL. The case has been assigned to the Honorable Deborah A. Batts. The plaintiffs representing the Class are the "Class Plaintiffs," and the persons and entities they sued are called Defendants.

### **2. What is this lawsuit about?**

On February 24, 2009, the first of six putative class action complaints was filed. Following consolidation of the complaints, on November 23, 2009, the Court appointed Lead Plaintiffs and Lead Counsel and directed the filing of a Consolidated Amended Complaint ("CAC"). The CAC, filed on January 25, 2010, alleged violations of §§11, 12(a)(2) and 15 of the Securities Act of 1933 (the "Securities Act") by Deutsche Bank and certain individual defendants, underwriters, and the auditor relating to a Form F-3 Registration Statement and Prospectus filed with the Securities and Exchange Commission on October 10, 2006, and various prospectus supplements to that Registration Statement (collectively, the "Offering Materials") used to conduct the Offerings.<sup>4</sup>

<sup>4</sup> "Offerings" means: (i) the 6.375% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust VIII, issued October 10, 2006; (ii) the 6.55% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust II, issued May 16, 2007; (iii) the 6.625% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust IX, issued July 16, 2007; (iv) the 7.35% Noncumulative Trust Preferred Securities of Deutsche Bank Capital Funding Trust X, issued November 6, 2007; (v) the 7.60% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust III, issued February 14, 2008; and (vi) the 8.05% Trust Preferred Securities of Deutsche Bank Contingent Capital Trust V, issued May 5, 2008.

Defendants moved to dismiss the CAC on March 26, 2010. On August 19, 2011, the Court granted with prejudice the motion to dismiss with respect to Plaintiffs' §§11, 12(a)(2) and 15 claims relating to the October 2006 Offering. The Court denied Defendants' motions with respect to the remaining offerings.

On August 23, 2011, the Second Circuit issued an opinion in *Fait v. Regions Financial Corp.*, 655 F.3d 105 (2d Cir. 2011) ("*Fait*"). Defendants subsequently moved for reconsideration of the Court's August 19, 2011 Order, arguing that *Fait* constituted an intervening change in the governing law. On August 9, 2012, the Court granted Defendants' motion to reconsider and dismissed the CAC with prejudice and without leave to amend.

Plaintiffs appealed the Court's August 9, 2012 order, and on July 16, 2014, the Second Circuit affirmed the Court's dismissal of the action. Plaintiffs then filed a petition for a writ for certiorari on February 13, 2014. While Plaintiffs' petition was pending, the Supreme Court issued a decision in *Omnicare, Inc. v. Laborers District Council Construction Industry Pension Fund*, 135 S. Ct. 1318 (2015) ("*Omnicare*").

On June 8, 2015, the Supreme Court granted Plaintiffs' petition for certiorari, vacating the Judgment and remanding "for further consideration in light of [*Omnicare*]." On July 21, 2015, the Second Circuit recalled the Mandate, vacated the Court's Judgment, and remanded the case for further proceedings which "may, but shall not necessarily, include allowing plaintiffs to replead their causes of action."

On July 27, 2015, Defendants filed a motion requesting the Court to dismiss Plaintiffs' complaint and deny leave to amend. On August 7, 2015, Plaintiffs informed the Court of its intention to request leave to file the Third Consolidated Amended Complaint ("TCAC") to incorporate the new *Omnicare* pleading standard. On September 15, 2015, the Court denied Defendants' motion and granted Plaintiffs leave to file the TCAC.

The TCAC, filed on October 15, 2015, alleged that Deutsche Bank, certain individuals and the underwriters violated §§11, 12(a)(2) and 15 of the Securities Act by, *inter alia*, misrepresenting or omitting material facts in the Offering Materials. The TCAC specifically alleged that Deutsche Bank omitted disclosures related to exposures to \$20 billion of RMBS and CDOs backed by risky mortgages and its losses on RMBS during 2007. The TCAC alleged that Deutsche Bank failed to disclose the true extent of the risks facing the bank.

Defendants moved to dismiss the TCAC on December 14, 2015. On July 25, 2016, the Court upheld Plaintiffs' claims concerning the November 2007 and February 2008 offerings with respect to the allegations regarding Item 303 and Item 503 of Regulation S-K, while dismissing claims stemming from the other Offerings. Defendants filed their Answer on October 24, 2016.

Defendants moved to deny class certification on February 21, 2018. Plaintiffs filed an opposition to Defendants' motion and a motion to certify a class for both the November 2007 and February 2008 offerings on March 7, 2018. On October 2, 2018, the Court granted Plaintiffs' motion to certify the class and named Lead Plaintiffs Norbert G. Kaess and Maria G. Farruggio as class representatives for the surviving claims concerning the November 2007 and February 2008 offerings.

Upon the conclusion of all discovery in April 2019, in an effort to resolve the Litigation, Plaintiffs and Defendants engaged the services of former U.S. District Judge Layn R. Phillips, an experienced mediator, and participated in a full-day in-person mediation session with Judge Phillips on May 1, 2019. The parties were unable to reach an agreement on May 1, 2019, and the Litigation continued.

Defendants moved for summary judgment on July 31, 2019. Shortly before Plaintiffs' opposition was due, the parties engaged in additional settlement discussions, which culminated with the parties agreeing to settle the Litigation for \$18,500,000, subject to the terms of a Stipulation of Settlement and approval by the Court.

### **3. Why is there a settlement?**

The Court has not decided in favor of Defendants or in favor of Class Plaintiffs. Instead, both sides agreed to the Settlement to avoid the distraction, costs and risks of further litigation, and Class Plaintiffs agreed to the Settlement in order to ensure that Class Members will receive compensation.

## WHO IS IN THE SETTLEMENT

To see if you will receive payment from this Settlement, you first have to decide if you are a Class Member.

### 4. How do I know if I am a Member of the Class?

The Court directed that everyone who fits this description is a Class Member: **all Persons or entities who purchased or otherwise acquired securities in the Class Offerings**, except those Persons and entities that are excluded.

Excluded from the Class are Defendants, the officers and directors of Deutsche Bank and the Underwriter Defendants at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which Defendants have or had a controlling interest. Also excluded from the Class are Class Members that validly and timely exclude themselves therefrom by submitting a request for exclusion in accordance with the requirements set forth in question 11 below.

**Please Note:** Receipt of this Notice does not mean that you are a Class Member or that you will be entitled to receive a payment from the Settlement. If you are a Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before June 10, 2020.

### 5. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at 1-866-476-7307 or you can fill out and return the Proof of Claim enclosed with this Notice package to see if you qualify.

## THE SETTLEMENT BENEFITS – WHAT YOU GET

### 6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Claims (defined below) and dismissal of the Litigation, Deutsche Bank has agreed to pay (or cause to be paid) \$18.5 million in cash to be distributed after taxes, fees, and expenses, *pro rata*, to Class Members who send in or submit a valid Proof of Claim pursuant to the Court-approved Plan of Allocation. The Plan of Allocation is described in more detail at the end of this Notice.

### 7. How much will my payment be?

Your share of the Net Settlement Fund will depend on several things, including the total amount of claims represented by the valid Proofs of Claim that Class Members send in or submit, compared to the amount of your claim, all as calculated under the Plan of Allocation discussed below.

## HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

### 8. How can I get a payment?

To be eligible to receive a payment from the Settlement, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com). Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it and **mail or submit it online so that it is postmarked (if mailed) or received (if submitted online) no later than June 10, 2020**. The Proof of Claim may be submitted online at [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com).

### 9. When would I get my payment?

**The Court has scheduled a Settlement Hearing on June 11, 2020, at 4:30 p.m. ET**, to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient.

## 10. What am I giving up to get a payment or to stay in the Class?

Unless you timely and validly exclude yourself, you will remain a Class Member, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or their Related Parties about the Released Claims (as defined below) in this case. It also means that all of the Court's orders will apply to you and legally bind you. If you remain a Class Member, and if the Settlement is approved, you will give up all "Released Claims" (as defined below), including "Unknown Claims" (as defined below), against the "Released Persons" (as defined below):

- "Related Parties" means each of Defendants' direct controlling persons, associates, related or affiliated entities, and each and all of their respective past or present officers, directors, employees, partners, members, principals, agents, representatives, attorneys, auditors, financial or investment advisors, consultants, underwriters, accountants, investment bankers, commercial bankers, entities providing fairness opinions, advisors, insurers, reinsurers, heirs, spouses, executors, trustees, general or limited partners or partnerships, limited liability companies, members, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors or assigns, or any member of their immediate families, marital communities or any trusts for which any of them are trustees, settlers or beneficiaries or anyone acting or purporting to act for or on behalf of them or their successors.
- "Released Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments and causes of action of every nature and description, whether known or unknown, whether arising under federal, state, local, common, statutory, administrative or foreign law, or any other law, rule, ordinance, administrative provision or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, which arise out of or relate in any way to both: (i) the purchase or acquisition of the securities in the Offerings; and (ii) the acts, facts, statements, or omissions that were or could have been alleged by Class Plaintiffs in the Litigation. For avoidance of doubt, this release will apply: (i) to all defendants named in any complaint filed in the Litigation, or in any actions consolidated with the Litigation, whether or not they are named as defendants in the Third Consolidated Amended Complaint, and their Related Parties (*i.e.*, their directors, officers, employees, parents, subsidiaries, agents, assigns, insurers, partners, predecessors, successors and counsel); and (ii) to each of the six Offerings of trust preferred securities guaranteed by Deutsche Bank. "Released Claims" does not include claims to enforce the Settlement. "Released Claims" includes "Unknown Claims" as defined below.
- "Released Defendants' Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description (including Unknown Claims), whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, that arise out of or relate in any way to the institution, prosecution or settlement of the claims against Defendants in the Litigation, except for claims relating to the enforcement of the Settlement.
- "Released Persons" means the Defendants and their Related Parties.
- "Unknown Claims" means any and all Released Claims which Class Plaintiffs, Plaintiffs' Counsel or any Class Members do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons and any and all Released Defendants' Claims that the Released Persons do not know or suspect to exist in his, her or its favor at the time of the release of the Class Plaintiffs, Plaintiffs' Counsel, or any Class Members, which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Persons, Class Plaintiffs, Plaintiffs' Counsel or Class Members, or might have affected his, her or its decision(s) with respect to the Settlement, including, but not limited to, whether or not to object to this Settlement or to the release of the Released Persons, Class Plaintiffs, Plaintiffs' Counsel or Class Members. With respect to any and all Released Claims and Released Defendants' Claims, the Settling Parties

stipulate and agree that, upon the Effective Date, the Settling Parties shall expressly waive and each of the Settling Parties shall be deemed to have, and by operation of the Judgment shall have, expressly waived to the fullest extent permitted by law, the provisions, rights, and benefits of California Civil Code §1542, which provides:

**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**

The Settling Parties shall expressly waive and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, principle of common law or any provision of foreign law, which is similar, comparable or equivalent to California Civil Code §1542. The Settling Parties acknowledge that they may hereafter discover facts in addition to or different from those which he, she, it or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims or Released Defendants' Claims, but the Settling Parties shall expressly settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally and forever settled and released any and all Released Claims and Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

### **EXCLUDING YOURSELF FROM THE CLASS**

If you do not want to participate in this Settlement, and you want to keep the right to potentially sue Defendants and the other Released Persons, on your own, about the claims being released by the Settlement, then you must take steps to remove yourself from the Class. This is called excluding yourself – or is sometimes referred to as “opting out.” If you are requesting exclusion because you want to bring your own lawsuit based on the matters alleged in the Litigation, you may want to consult an attorney and discuss whether any individual claim that you may wish to pursue would be time-barred by the applicable statutes of limitation or repose.

#### **11. How do I opt out of the Class and the proposed Settlement?**

To exclude yourself from the Class and the Settlement, you must send a letter by First-Class Mail stating that you “request exclusion from the Class in the *Deutsche Bank Securities Settlement*.” You **cannot** exclude yourself by telephone or e-mail. Your letter must include your purchases and acquisitions of securities in the Class Offerings, including the dates, the number of shares of securities purchased or acquired and price paid for each such purchase or acquisition. In addition, you must include your name, address, telephone number, and your signature. You must submit your exclusion request so that it is **postmarked no later than May 21, 2020** to:

*Deutsche Bank Securities Settlement*  
c/o Gilardi & Co. LLC  
Claims Administrator  
EXCLUSIONS  
3301 Kerner Blvd.  
San Rafael, CA 94901

Your exclusion request must comply with these requirements in order to be valid. If you ask to be excluded, you will not receive any payment from the Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit, and you may be able to sue Defendants and the other Released Persons about the Released Claims in the future.

**12. If I do not exclude myself, can I sue Defendants and the other Released Persons for the same thing later?**

No. Unless you exclude yourself, you give up any rights you may potentially have to sue Defendants and the other Released Persons for any and all Released Claims. If you have a pending lawsuit against the Released Persons speak to your lawyer in that case immediately. You must exclude yourself from the Class in this Litigation to continue your own lawsuit. Remember, the exclusion deadline is May 21, 2020.

**13. If I exclude myself, can I get money from the proposed Settlement?**

No. If you exclude yourself, you should not send in a Proof of Claim to ask for any money. But, if you do exclude yourself, you may have the right to potentially sue or be part of a different lawsuit against Defendants and the other Released Persons.

**THE LAWYERS REPRESENTING YOU**

**14. Do I have a lawyer in this case?**

The Court ordered that the law firms of Robbins Geller Rudman & Dowd LLP and Glancy Prongay & Murray LLP represent the Class Members, including you. These lawyers are called Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

**15. How will the lawyers be paid?**

At the Settlement Hearing, Lead Counsel will request the Court to award attorneys' fees not to exceed one-third of the Settlement Amount, plus expenses not to exceed \$1,300,000 in connection with the Litigation, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. Such sums as may be approved by the Court will be paid from the Settlement Fund.

**OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the Settlement or any part of it.

**16. How do I tell the Court that I object to the proposed Settlement?**

If you are a Class Member, and do not otherwise exclude yourself from the Class, you can comment on or object to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel's fee and expense application, and/or Class Plaintiffs' request pursuant to 15 U.S.C. §77z-1(a)(4). You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement, Plan of Allocation, and/or fee and expense application in the *Deutsche Bank Securities Settlement*. Include your name, mailing address, daytime telephone number, e-mail address and your signature, identify the date(s), price(s) and number of shares of securities you purchased or acquired in the Class Offerings and/or sold and state your comments or the reasons why you object to the proposed Settlement, Plan of Allocation, and/or fee and expense application, including any legal support for such objection. The reasons for the objection must be stated with specificity, and you must state whether the objection applies only to you, to a subset of the Class or to the entire Class. You must also include copies of documents demonstrating such purchase(s), acquisition(s) and/or sale(s). Your comments or objection must be filed with the Court and mailed or delivered to each of the following addresses such that it is **received no later than May 21, 2020**:

**COURT**

CLERK OF THE COURT  
United States District Court  
Southern District of New York  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl Street  
New York, NY 10007

**LEAD COUNSEL**

ROBBINS GELLER  
RUDMAN & DOWD LLP  
THEODORE J. PINTAR  
655 West Broadway  
Suite 1900  
San Diego, CA 92101

**DEUTSCHE BANK'S  
COUNSEL**

CAHILL GORDON &  
REINDEL LLP  
DAVID G. JANUSZEWSKI  
80 Pine Street  
New York, NY 10005

**17. What is the difference between objecting and excluding?**

Objecting is simply telling the Court that you do not like something about the Settlement. You can object **only** if you stay in the Class.

Excluding yourself is telling the Court that you do not want to be paid and do not want to release any claims you think you may have against Defendants and their Related Parties. If you exclude yourself, you cannot object to the Settlement because it does not affect you.

**THE COURT'S SETTLEMENT HEARING**

The Court has scheduled a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

**18. When and where will the Court decide whether to approve the proposed Settlement?**

The Court has scheduled a Settlement Hearing at **4:30 p.m. ET, on June 11, 2020**, in the Courtroom of the Honorable Deborah A. Batts at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007. At the hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court may listen to people who have asked to speak at the hearing. The Court may also issue a ruling on Lead Counsel's application for attorneys' fees and expenses (which request may include Class Plaintiffs' application for an amount not to exceed \$20,000 pursuant to 15 U.S.C. §77z-1(a)(4), in the aggregate, in connection with their representation of the Class). After the Settlement Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing, or adjourn the Settlement Hearing, without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Counsel or the Settlement website [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com) beforehand to be sure that the date and/or time has not changed.

**19. Do I have to come to the hearing?**

No. Lead Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

**20. May I speak at the hearing?**

If you object to the Settlement, the Plan of Allocation and/or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must include with your objection (see question 16 above) a statement saying that it is your "Notice of Intention to Appear in the *Deutsche Bank Securities Settlement*." Persons who intend to object to the Settlement, the Plan of Allocation, and/or any attorneys' fees and expenses to be awarded to Lead Counsel (including any award to Class Plaintiffs for their representation of the Class) and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing. Your notice of intention to appear must be **received no later than May 21, 2020**, and addressed to the Clerk of Court, Lead Counsel and Deutsche Bank's counsel at the addresses listed above in question 16.

You cannot speak at the hearing if you exclude yourself from the Class.

**IF YOU DO NOTHING**

**21. What happens if I do nothing?**

If you do nothing, you will not receive any money from this Settlement. In addition, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit or be part of any other lawsuit against Defendants and their Related Parties about the Released Claims in this case, ever again.

## GETTING MORE INFORMATION

### 22. How do I get more information?

For even more detailed information concerning the matters involved in this Litigation, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at 1-866-476-7307. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court, and to the other Settlement-related papers filed in the Litigation, which are posted on the Settlement website at [www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com), and may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007, during regular business hours. For a fee, all papers filed in this Litigation are available at [www.pacer.gov](http://www.pacer.gov).

#### PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The Settlement Amount of \$18.5 million and any interest earned thereon is the "Settlement Fund." The Settlement Fund, less all taxes, tax expenses, notice and administration expenses, and approved attorneys' fees and expenses and any award to Class Plaintiffs pursuant to 15 U.S.C. §77z-1(a)(4) (the "Net Settlement Fund") shall be distributed to Class Members who submit timely and valid Proofs of Claim to the Claims Administrator ("Authorized Claimants"). The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on all of your transactions in securities purchased in the Class Offerings.

For purposes of formulating the Plan of Allocation and determining the amount an Authorized Claimant may recover under it, Lead Counsel have conferred with their damages consultant.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

Accordingly, the calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of the formulas set forth below yield an amount less than or equal to \$0.00, the claim per share shall be \$0.00.

In order to have recoverable damages, claimants must have purchased or otherwise acquired shares of at least one of the following securities in the Class Offerings: (i) Deutsche Bank Capital Funding Trust X 7.35% Noncumulative Trust Preferred Securities (the "7.35% Preferred Securities")<sup>5</sup>; and/or (ii) Deutsche Bank Contingent Capital Trust III 7.60% Trust Preferred Securities (the "7.60% Preferred Securities").<sup>6</sup> Additionally, in order to have recoverable damages, claimants must have purchased or otherwise acquired their shares of these securities pursuant or traceable to certain of the registration statements in the Class Offerings.<sup>7</sup>

In developing the Plan of Allocation, Class Plaintiffs' damages expert calculated the estimated cumulative declines in the prices of both the 7.35% and 7.60% Preferred Securities that were allegedly proximately caused by Defendants' alleged omissions in the Offering Materials. In calculating the estimated cumulative declines in the prices of these securities caused by those omissions, Class Plaintiffs' damages expert considered the price changes in the securities in reaction to events where the undisclosed risks, uncertainties, and trends were realized, adjusting the price change for factors that were attributable to market, industry, or foreign exchange forces, and for non-fraud related Deutsche Bank-specific information.

The Net Settlement Fund will be allocated to claimants as follows: (a) claimants who purchased or otherwise acquired the 7.35% Preferred Securities shall be allocated approximately 74% of the Net Settlement Fund; and (b) claimants who purchased or otherwise acquired the 7.60% Preferred Securities shall be allocated approximately 26% of the Net Settlement Fund. Among other factors, in formulating the overall allocation, the

<sup>5</sup> The CUSIP number for the 7.35% Preferred Securities is: 25154D102.

<sup>6</sup> The CUSIP number for the 7.60% Preferred Securities is: 25154A108.

<sup>7</sup> These registration statements were: October 10, 2006 Shelf Registration Statement on Form F-3; the Prospectus Supplement filed on November 7, 2007 (the "November 2007 Prospectus Supplement"); and the Prospectus Supplement filed on February 12, 2008 (the "February Prospectus Supplement") (collectively, the "Registration Statements" or "Offering Materials").

Class Plaintiffs' damages expert considered the maximum potential damages of each group of purchasers within the Class.

Based on the formulas stated below, a "Recognized Loss Amount" will be calculated for each purchase or acquisition of the 7.35% and 7.60% Preferred Securities made pursuant or traceable to the Offering Materials, that is listed on the Proof of Claim form and for which adequate documentation is provided. If a "Recognized Loss Amount" calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero. The sum of each Class Member's "Recognized Loss Amounts" shall be the "Recognized Claim" for each Class Member.

A "claim" will be calculated as follows:

### **1. Recognized Loss Amount for the 7.35% Preferred Securities**

For each of the 7.35% Preferred Securities purchased or otherwise acquired prior to April 29, 2008, pursuant or traceable to the Offering Materials, and:

- (a) sold prior to April 30, 2008, the claim per security is zero;
- (b) sold on or after April 30, 2008, but prior to July 14, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$0.64 per share;
- (c) sold on or after July 14, 2008, but prior to October 8, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$1.96 per share;
- (d) sold on or after October 8, 2008, but prior to October 24, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$2.96 per share;
- (e) sold on or after October 24, 2008, but prior to March 14, 2014, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$3.81 per share; and
- (f) held as of March 14, 2014, or redeemed on or after March 14, 2014, the claim per security is zero.

### **2. Recognized Loss Amount for the 7.60% Preferred Securities**

For each of the 7.60% Preferred Securities purchased or otherwise acquired prior to April 29, 2008, pursuant or traceable to the Offering Materials, and:

- (a) sold prior to April 30, 2008, the claim per security is zero;
- (b) sold on or after April 30, 2008, but prior to July 14, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$0.46 per share;
- (c) sold on or after July 14, 2008, but prior to October 8, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$0.98 per share;
- (d) sold on or after October 8, 2008, but prior to October 24, 2008, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$1.76 per share;
- (e) sold on or after October 24, 2008, but prior to February 16, 2018, the claim per security shall be the **least** of: (i) the purchase price **less** the sales price, (ii) \$25.00 **less** the sales price, and (iii) \$2.53 per share; and
- (f) held as of February 16, 2018, or redeemed on or after February 16, 2018, the claim per security is zero.

If a Class Member held 7.35% and/or 7.60% Preferred Securities at the beginning of the period specified on the Proof of Claim form or made multiple purchases, acquisitions or sales of such securities during or after the period specified on the Proof of Claim form, the starting point for calculating a claimant's Recognized Loss Amount is to match the claimant's holdings, purchases and acquisitions to their sales using the FIFO (*i.e.*, first-in-first-out) method. Under the FIFO method, the 7.35% and 7.60% Preferred Securities sold during the periods specified on the Proof of Claim form will be matched, in chronological order, against the respective securities purchased or acquired during the periods specified on the Proof of Claim form.

The date of purchase, acquisition or sale is the "contract" or "trade" date as distinguished from the "settlement" date. All purchase, acquisition and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise or operation of law of securities purchased in the Class Offerings shall not be deemed a purchase, acquisition or sale of securities for the calculation of a claimant's Recognized Claim, nor shall it be deemed an assignment of any claim relating to the purchase of such securities unless specifically provided in the instrument of gift or assignment.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net overall loss, after all profits from transactions in all securities described above are subtracted from all losses. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Class Plaintiffs, Plaintiffs' Counsel, the Claims Administrator or other Person designated by Lead Counsel, Defendants, or Defendants' counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation or further orders of the Court. All Class Members who fail to complete and submit a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

Please contact the Claims Administrator or Lead Counsel if you disagree with any determinations made by the Claims Administrator regarding your Proof of Claim. If you are unsatisfied with the determinations, you may ask the Claims Administrator and Lead Counsel to reconsider the determination.

Defendants, their counsel and all other Released Persons will have no responsibility or liability whatsoever with respect to the Settlement Fund, the Net Settlement Fund, the Plan of Allocation or the payment or non-payment of any claim, including the allocation or distribution of proceeds from the Settlement Fund. Class Plaintiffs and Lead Counsel, likewise, will have no liability for their reasonable efforts to execute, administer and distribute the Settlement.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement. The Net Settlement Fund shall be distributed to Authorized Claimants substantially in accordance with the Plan of Allocation set forth above and approved by the Court. If there is any balance remaining in the Net Settlement Fund after a reasonable period of time after the initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise), Lead Counsel shall, if economically feasible, make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Fund and in making this second distribution. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Fund is *de minimis* and such remaining balance shall then be distributed to an appropriate non-profit charitable organization serving the public interest selected by Lead Counsel.

#### **SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES**

If you purchased or acquired securities in the Class Offerings for the beneficial interest of an individual or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) BUSINESS DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased or acquired such securities during such time period; or (b) request additional copies of this Notice and the Proof of Claim, which will be provided to you free of charge, and within ten (10) days mail the Notice and Proof of Claim directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expenses and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

*Deutsche Bank Securities Settlement*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box 43320  
Providence, RI 02940-3320  
[www.DeutscheBankSecuritiesSettlement.com](http://www.DeutscheBankSecuritiesSettlement.com)

DATED: February 27, 2020

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK