Deutsche Bank Capital Funding Trust VII

(a wholly owned subsidiary of Deutsche Bank Aktiengesellschaft)

800,000 Noncumulative Trust Preferred Securities

(Liquidation Preference Amount $ 1,000 per Trust Preferred Security)

The Noncumulative Trust Preferred Securities, Liquidation Preference Amount $ 1,000 per security, (the "Trust Preferred Securities") offered hereby do not have a maturity date. The Trust Preferred Securities represent preferred undivided beneficial ownership interests in the assets of Deutsche Bank Capital Funding Trust VII, a statutory trust created under the laws of the State of Delaware (the "Trust"). The assets of the Trust consist solely of Class B Preferred Securities of Deutsche Bank Capital Funding LLC VII, a Delaware limited liability company (the "Company"). Deutsche Bank Aktiengesellschaft, Frankfurt am Main, (the "Bank") will own one common security of the Trust.

Capital Payments (as defined herein) will accrue on the respective liquidation preference amounts of $ 1,000 per Trust Preferred Security (the "Liquidation Preference Amount") and $ 1,000 per Class B Preferred Security (i) from and including the Issue Date (as defined herein), up to but excluding the Reset Date (as defined herein) at a fixed coupon rate of 5.628% per annum (the "Fixed Rate"), payable semi-annually in arrears on each Fixed Rate Payment Date (as defined herein) and (ii) for each Payment Period (as defined herein) commencing on or after the Reset Date at 3-month LIBOR (as defined herein) for such Payment Period plus a margin, payable quarterly in arrears on each Floating Rate Payment Date (as defined herein).

Capital Payments payable on each Payment Date will accrue from and including the immediately preceding Payment Date (or the Issue Date, with respect to the Capital Payment payable on the first Payment Date) up to but excluding the relevant Payment Date (each such period, a "Payment Period"). For each Payment Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30 day months. For each Payment Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year. The Class B Preferred Securities are not offered hereby.

The Trust Preferred Securities will be issued in the form of registered Global Certificates and will be deposited with a custodian for and registered in the name of a nominee of The Depository Trust Company ("DTC"), and beneficial interests in the Trust Preferred Securities will be shown on and transfers thereof will be effected through records maintained by DTC and its participants. Trust Preferred Securities sold in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), will be evidenced by Restricted Global Certificates. Trust Preferred Securities sold in reliance on Regulation S under the Securities Act will be evidenced by a separate temporary Regulation S Global Certificate, which will be exchangeable for a permanent Regulation S Global Certificate not earlier than 40 days after the closing date upon certification of non-U.S. beneficial ownership.

See "Risk Factors" for a discussion of certain factors that should be considered by prospective investors.

The Trust Preferred Securities are expected, on issue, to be assigned ratings of "A" by Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc. ("S&P"), "A2" by Moody's Investors Service, Inc. ("Moody's") and "A+" by Fitch Ratings Ltd. ("Fitch"). The ratings for the Trust Preferred Securities are derived from the ratings of the Bank. A rating is not a recommendation to buy, hold or sell securities, and may be subject to revision, suspension or withdrawal at any time by the rating agency.

Offering Price: 100% of Liquidation Preference Amount

THE TRUST PREFERRED SECURITIES ARE NOT AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ARE BEING OFFERED AND SOLD (1) IN THE UNITED STATES ONLY TO QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND (II) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER OF THESE SECURITIES AND REPRESENTATIONS THAT EACH PURCHASER OF THESE SECURITIES IS DEEMED TO MAKE, SEE "NOTICE TO INVESTORS".

The Trust Preferred Securities are offered by the Initial Purchasers named below, subject to receipt and acceptance by it and subject to its right to reject any order in whole or in part. It is expected that the Trust Preferred Securities will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company in New York, New York on or about January 19, 2006, against payment therefor in immediately available funds.

Deutsche Bank Securities

Barclays Capital **RBS Greenwich Capital**

The date of this Offering Circular is January 11, 2006.

No person is authorized to provide any information or to make any representation not contained in this Offering Circular, and any information or representation not contained in this Offering Circular must not be relied upon as having been authorized by the Bank, the Trust or the Company or by the Initial Purchasers. The delivery of this Offering Circular at any time does not imply that the information contained herein is correct as of any time subsequent to its date.

In connection with the issue of the Trust Preferred Securities, the Initial Purchasers (or persons acting on behalf of them) may over-allot Trust Preferred Securities or effect transactions with a view to supporting the market price of the Trust Preferred Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Initial Purchasers (or persons acting on its behalf) will undertake stabilization action. Such stabilizing, if commenced, may be discontinued at any time.

Affiliates of the Bank may make a secondary market in the Trust Preferred Securities. If affiliates of the Bank make a secondary market in the Trust Preferred Securities, such market-making may give rise to limitations for Trust Preferred Securities previously sold in offshore transactions in reliance on Regulation S under the Securities Act with respect to resales in the United States or to U.S. Persons.

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Trust Preferred Securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Trust Preferred Securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

To the extent that the offer of the Trust Preferred Securities is made in any member state of the European Economic Area (a "Member State") that has implemented the Prospectus Directive (together with any applicable implementing measures in any Member State), the offer (including any offer pursuant to this document) is only addressed to qualified investors in that Member State within the meaning of the Prospectus Directive or has been or will be made otherwise in circumstances that do not require the issuer to publish a prospectus pursuant to the Prospectus Directive.

Neither the Securities and Exchange Commission nor any other regulatory body in the United States has approved or disapproved of these securities or determined whether this Offering Circular is truthful or complete. Any representation to the contrary is a criminal offense.

Any U.S. federal tax advice included in this Offering Circular (including any document incorporated by reference herein) was not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. federal tax penalties.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

ENFORCEMENT OF CIVIL LIABILITIES

The Bank is incorporated as a German stock corporation with limited liability *(Aktiengesellschaft).* None of the members of the Management Board *(Vorstand)* or the Supervisory Board *(Aufsichtsrat)* of the Bank is a resident of the United States. A substantial portion of the assets of the Bank, and all or most of the assets of such Board members, are located outside the United States. As a result, it may not be possible for holders or beneficial owners of the Trust Preferred Securities or the Class B Preferred Securities to effect service of process within the United States upon the Bank or such persons, or to enforce against any of them in the U.S. courts judgments obtained in such courts predicated upon the civil liability provisions of the federal securities or other laws of the United States or any state thereof.

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GLOSSARY

"1940 Act" means the U.S. Investment Company Act of 1940, as amended.

"3-month LIBOR" for any Payment Period commencing on or after January 19, 2016 will be determined by the Calculation Agent on the day (the "Floating Rate Reset Date") falling two London days prior to first day of the relevant Payment Period and shall be the per annum rate published on page 3750 of the Telerate Monitor (or such other screen page of Telerate or such other information service that is designated as the successor to page 3750 of the Telerate Monitor for the purpose of displaying such rates (the "Screen Page") on the relevant Floating Rate Reset Date as of 11:00 a. m. (London time) as the rate offered in the London interbank market for deposits in U.S. dollars for the relevant Payment Period. If such rate does not appear on the Screen Page, then the Calculation Agent will determine the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates which four major banks in the London interbank market selected by the Calculation Agent (the "Reference Banks") quote to prime banks in the London interbank market at approximately 11:00 a. m. (London time) on the relevant Floating Rate Reset Date for deposits in U.S. dollars for such Payment Period. If at least two such quotations are provided, the rate for such Payment Period will be the arithmetic mean of the quotations. If fewer than two quotations as referred to in the preceding sentence are provided as requested, the rate for such Payment Period will be the arithmetic mean (rounded as aforesaid) determined by the Calculation Agent, of the rates quoted at approximately 11:00 a. m., New York City time, on such Floating Rate Reset Date by at least three major banks in New York City selected by the Calculation Agent to leading European banks for loans in U.S. dollars for such Payment Period and in a principal amount that is representative for a single transaction at such time. If the banks so selected by the Calculation Agent are not quoting as referred to in the preceding sentence, the rate for such Payment Period will be the 3-month LIBOR rate in effect on the Business Day immediately preceding the relevant Floating Rate Reset Date.

"Additional Amounts" means such additional amounts payable by the Company or Trust pursuant to the terms of the Class B Preferred Securities and the Trust Preferred Securities as additional Capital Payments as may be necessary in order that the net amounts received by the holders of the Class B Preferred Securities and the Trust Preferred Securities, after deduction or withholding for or on account of any Withholding Taxes, on payments on and any amount payable in liquidation or on repayment upon redemption thereof, will equal the amounts that otherwise would have been received had no such deduction or withholding been required.

"Additional Interest Amounts" means any additional interest amounts payable by the Bank or other obligor pursuant to the terms of the Initial Obligation as a result of deduction or withholding upon payment of interest on the Initial Obligation or repayment upon redemption thereof.

"Administrative Action" means any judicial decision, official administrative pronouncement, published or private ruling, regulatory procedure, notice or announcement (including any notice or announcement of intent to adopt certain procedures or regulations) by any legislative body, court, governmental authority or regulatory body.

"BaFin" means the German Federal Financial Supervisory Authority *(Bundesanstalt für Finanzdienstleistungsaufsicht)*.

"Bank" means Deutsche Bank Aktiengesellschaft, Frankfurt am Main.

"billion" means one thousand million.

"Board of Directors" means the Board of Directors of the Company.

"Branch" means the New York branch of the Bank.

"Business Day" means a day other than a Saturday, a Sunday or a day on which banks in the City of New York are authorized or required by law or executive order to close.

"By-laws" means the by-laws of the Company.

"Calculation Agent" means Deutsche Bank Trust Company Americas and its successors, in its capacity as Calculation Agent with respect to the Trust Preferred Securities and the Class B Preferred Securities.

"Capital Payments" means the periodic distributions on the Trust Securities and the Class B Preferred Securities.

"Class A Preferred Security" means the noncumulative Class A Preferred Security representing an ownership interest in the Company.

"Class B Preferred Securities" means the noncumulative Class B Preferred Securities evidencing preferred ownership interests in the Company.

"Closing Date" means January 19, 2006, the Closing Date for the issuance and sale of the Trust Preferred Securities in the Offering.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company" means Deutsche Bank Capital Funding LLC VII, a Delaware limited liability company.

"Company Common Security" means the voting common security representing an ownership interest in the Company.

"Company Preferred Securities" means the Class B Preferred Securities and the Class A Preferred Security.

"Company Special Redemption Event" means (i) a Regulatory Event, (ii) a Tax Event with respect to the Company or (iii) an Investment Company Act Event with respect to the Company.

"Company Successor Securities" means other securities substituted for the Class B Preferred Securities having substantially the same terms as the Class B Preferred Securities.

"Consolidated Financial Statements" means the audited consolidated balance sheets at December 31, 2004 and December 31, 2003, and the audited consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years ended December 31, 2004, December 31, 2003 and December 31, 2002, of Deutsche Bank Group (including in each case the notes thereto).

"DBSI" means Deutsche Bank Securities Inc.

"Delaware Trustee" means Deutsche Bank Trust Company Delaware, in its capacity as Delaware trustee of the Trust.

"Deutsche Bank Group" means the Bank and its consolidated subsidiaries.

"Distributable Profits" of the Bank for any fiscal year is the balance sheet profit *(Bilanzgewinn)* as of the end of such fiscal year, as shown in the audited unconsolidated balance sheet of the Bank as of the end of such fiscal year. Such balance sheet profit includes the annual surplus or loss *(Jahresüberschuss/-fehlbetrag)*, *plus* any profit carried forward from previous years, *minus* any loss carried forward from previous years, *plus* transfers from capital reserves and earnings reserves, *minus* allocations to earnings reserves, all as determined in accordance with the provisions of the German Stock Corporation Act *(Aktiengesetz)* and accounting principles generally accepted in the Federal Republic of Germany as described in the German Commercial Code *(Handelsgesetzbuch)* and other applicable German law then in effect.

"Distribution Compliance Period" means the period until the 40th day after the later of the Closing Date and the completion of the distribution of the Trust Preferred Securities.

"Dollars", "U.S. Dollars" and "$" means the lawful currency of the United States of America.

"Early Redemption Price" means the greater of (A) the Redemption Price per Class B Preferred Security and (B) the Make-Whole Amount.

"Enforcement Event" under the Trust Agreement with respect to the Trust Securities means the occurrence, at any time, of either (i) non-payment of Capital Payments (plus any Additional Amounts thereon, if any) on the Trust Preferred Securities or the Class B Preferred Securities at the Stated Rate in full, for two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any Payment Periods beginning on or after the Initial Redemption Date, for four consecutive Payment Periods), or (ii) a default by the Bank in respect of any of its obligations under the Support Undertaking; provided, that, pursuant to the Trust Agreement, the holder of the Trust Common Security will be deemed to have waived any Enforcement Event with respect to the Trust Common Security until all Trust Enforcement Events with respect to the Trust Preferred Securities have been cured, waived or otherwise eliminated.

"Euro" and "€" means the lawful currency of the member states of the European Union (including Germany) that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Maastricht Treaty.

"Fitch" means Fitch Ratings Ltd.

"Fixed Rate" means the fixed coupon rate of 5.628 % per annum for the accrual of Capital Payments (or, in the case of the Initial Obligation, for the accrual of interest) during Payment Periods (or, as applicable, Interest Periods) ending prior to the Reset Date.

"Fixed Rate Payment Date" means January 19 and July 19 of each year, from and including July 19, 2006, to and including January 19, 2016.

"Floating Rate" means, for the accrual of Capital Payments (or, in the case of the Initial Obligation, for the accrual of interest) during Payment Periods (or, as applicable, Interest Periods) commencing on or after the Reset Date, 3-month LIBOR (as defined herein) for such Payment Period plus a margin of 1.70 % per annum).

"Floating Rate Payment Date" means each January 19, April 19, July 19 and October 19 occurring after January 19, 2016.

"FSMA" means the United Kingdom Financial Services and Markets Act 2000.

"Germany" means the Federal Republic of Germany.

"Global Certificates" means the Restricted Global Certificates and the Regulation S Global Certificates.

"Global Security" means one or more global certificates representing the Class B Preferred Securities if they are distributed to holders of the Trust Preferred Securities.

"HGB" means the German Commercial Code *(Handelsgesetzbuch)*.

"Independent Enforcement Director" means the independent member of the Board of Directors appointed by the holders of the Class B Preferred Securities if the Company fails to pay Capital Payments (plus any Additional Amounts thereon, if any) for specified periods or if a holder of the Class B Preferred Securities has notified the Company that the Bank has failed to perform any obligation under the Support Undertaking and such failure continues for a specified period.

"Initial Obligation" means subordinated obligations of the Bank, acting through the Branch, acquired by the Company using the proceeds from the issuance of the Class B Preferred Securities, the Class A Preferred Security and the Company Common Security.

"Initial Obligation Redemption Date" means January 19, 2016, the first day on which the Initial Obligation is redeemable at the option of the Bank other than upon the occurrence of a Company Special Redemption Event or in the event of replacement with Substitute Obligations.

"Initial Purchasers" means the institutions named as such under "Plan of Distribution, Selling Restrictions and General Information".

"Initial Redemption Date" means January 19, 2016, the first day on which the Class B Preferred Securities will be redeemable other than on the occurrence of a Company Special Redemption Event.

"Interest Payment Date" means, for the payment of interest on the Initial Obligation, each Fixed Rate Payment Date and each Floating Rate Payment Date.

"Interest Period" means the period from and including the immediately preceding Interest Payment Date (or the Issue Date with respect to interest payable on the first Payment Date) to but excluding the relevant Interest Payment Date.

"Interim Consolidated Financial Statements" means the unaudited consolidated financial statements (including the notes thereto) incorporated by reference herein of Deutsche Bank Group as of and for the nine-month periods ended September 30, 2005 and September 30, 2004.

"Investment Company" means an investment company within the meaning of the 1940 Act.

"Investment Company Act Event" means the request and receipt by the Bank of an opinion of a nationally recognized U.S. law firm experienced in such matters to the effect that there is more than an insubstantial risk that the Company or the Trust is or will be considered an Investment Company as a result of any judicial decision, pronouncement or interpretation (irrespective of the manner made known), the adoption or amendment of any law, rule or regulation, or any notice or announcement (including any notice or announcement of intent to adopt such law, rule or regulation) by any U.S. legislative body, court, governmental agency, or regulatory authority, in each case after the date of the issuance of the Company Securities and the Trust Securities.

"IRS" means the Internal Revenue Service.

"Issue Date" means January 19, 2006, the issue date of the Trust Preferred Securities.

"Junior Securities" means (i) common stock of the Bank, (ii) each class of preference shares of the Bank ranking junior to Preferred Tier 1 Securities of the Bank, if any, and any other instrument of the Bank ranking *pari passu* therewith or junior thereto and (iii) preference shares or any other instrument of any subsidiary of the Bank subject to any guarantee or support agreement of the Bank ranking junior to the obligations of the Bank under the Support Undertaking.

"KWG" means the German Banking Act *(Kreditwesengesetz)*.

"Liquidation Preference Amount" means the liquidation preference amount of $ 1,000 per Trust Preferred Security.

"LLC Act" means the Delaware Limited Liability Company Act, as amended.

"LLC Agreement" means the limited liability company agreement of the Company, as amended and restated in its entirety prior to the issuance of Trust Preferred Securities.

"Maastricht Treaty" means the Treaty on European Union which amended the Treaty establishing the European Community.

"Make-Whole Amount" means the amount as determined by the Quotation Agent, equal to the sum of (i) the present value of a payment of the liquidation preference amount of the Class B Preferred Securities, discounted from the Initial Redemption Date to the Redemption Date, and (ii) the present values of all scheduled semi-annual Capital Payments (whether or not declared or deemed declared by the Company), including Capital Payments that would accrue from the Redemption Date to the next Payment Date (if the Redemption Date is not a Payment Date), at the Stated Rate during the Remaining Life, discounted from such scheduled Payment Date to the Redemption Date, in each case on a semi-annual basis (assuming a 360-day year of twelve 30-day months) at a per annum rate equal to the applicable Treasury Rate plus 0.375 %.

"Maturity Date" means January 19, 2036, the maturity date of the Initial Obligation.

"Moody's" means Moody's Investors Service, Inc.

"Non-U.S. Persons" means persons who acquire Trust Preferred Securities in compliance with Regulation S.

"Obligation Make-Whole Amount" means the amount as determined by the Quotation Agent, equal to the sum of (i) the present value of a payment of the Principal Amount, discounted from the Initial Obligation Redemption Date to the Obligation Redemption Date, and (ii) the present values of all scheduled semi-annual interest payments, including payments of interest that would accrue from the Obligation Redemption Date to the next Interest Payment Date (if the Obligation Redemption Date is not an Interest Payment Date), at the Stated Rate during the Obligation Remaining Life, discounted from such scheduled Interest Payment Date to the Obligation Redemption Date, in each case on a semi-annual basis (assuming a 360-day year of twelve 30-day months) at a per annum rate equal to the applicable Treasury Rate plus 0.375 %.

"Obligation Redemption Date" means the date of redemption of the Initial Obligation.

"Obligation Remaining Life" means the period from the Obligation Redemption Date to the Initial Obligation Redemption Date.

"Obligations" means the Initial Obligation and the Substitute Obligations.

"Offering" means the offering by Deutsche Bank Capital Funding Trust VII of the Trust Preferred Securities.

"Offering Price" means the initial offering price of $ 1,000 per Trust Preferred Security.

"Operating Profits" of the Company for any Payment Period means the excess of the amounts payable (whether or not paid) on the Obligations or, after the Maturity Date, on the Permitted Investments that the Company may then hold in accordance with the LLC Agreement during such Payment Period over any operating expenses of the Company not paid or reimbursed by the Bank or one of its branches or affiliates during such Payment Period.

"Order" means the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2001.

"Paying Agent" means Deutsche Bank Trust Company Americas and its successors, in its capacity as Paying Agent with respect to the Trust Preferred Securities.

"Payment Date" means each Fixed Rate Payment Date and each Floating Rate Payment Date.

"Payment Period" means the period from and including the immediately preceding Payment Date (or the Issue Date, with respect to Capital Payments payable on the first Payment Date) to but excluding the relevant Payment Date.

"Permanent Regulation S Global Certificate" means a global certificate, in fully registered form, representing Trust Preferred Securities offered and sold or transferred in accordance with Regula-

tion S, which will be issued in exchange for a Temporary Regulation S Certificate not earlier than 40 days after the Closing Date upon certification of non-U.S. beneficial ownership.

"Permitted Investments" means investments by the Company in debt obligations of the Bank or one or more majority-owned subsidiaries of the Bank, unconditionally guaranteed by the Bank (which may act through a branch) on a subordinated basis at least equal to the ranking of the Initial Obligation or, in the event such an investment is not available, in U.S. Treasury securities; *provided,* in each case, that such investment does not result in a Company Special Redemption Event.

"Preferred Securities" means the Class A Preferred Security and the Class B Preferred Securities.

"Preferred Tier 1 Securities" means each class of the most senior ranking preference shares of the Bank, if any, and Preferred Tier 1 Subsidiary Securities.

"Preferred Tier 1 Subsidiary Securities" means the most senior ranking preference shares or any other instrument of any subsidiary of the Bank subject to any guarantee or support agreement of the Bank ranking *pari passu* with the obligations of the Bank under the Support Undertaking.

"Primary Treasury Dealer" means a primary U.S. Government securities dealer in New York City.

"Principal Amount" means, in connection with the Initial Obligation, the aggregate principal amount of $ 800,000,000.

"Property Account" means a segregated non-interest bearing trust account maintained exclusively by the Property Trustee.

"Property Trustee" means The Bank of New York, in its capacity as trustee of the Trust.

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003.

"Qualified Subsidiary" means a subsidiary that is consolidated with the Bank for German bank regulatory purposes of which more than fifty percent (50%) of the outstanding voting stock or other equity interest entitled ordinarily to vote in the election of the directors or other governing body (however designated) and of which more than fifty percent (50%) or the outstanding capital stock or other equity interest is, at the time, beneficially owned or controlled directly or indirectly by the Bank, which subsidiary meets the definition of "a company controlled by its parent company" as defined in Rule 3a-5 under the 1940 Act.

"Quotation Agent" means Deutsche Bank Securities Inc. and its successors; provided, however, that if the foregoing will cease to be a Primary Treasury Dealer, the Bank has agreed in the LLC Agreement to substitute therefor another Primary Treasury Dealer.

"Redemption Date" means the date of redemption of the Class B Preferred Securities.

"Redemption Notice" means notice of any redemption of the Class B Preferred Securities.

"Redemption Price" means a redemption price per Class B Preferred Security equal to the liquidation preference amount thereof, plus any accrued and unpaid Capital Payments for the then current Payment Period to but excluding the Redemption Date.

"Regular Trustees" means three of the Trustees who are employees or officers of, or who are affiliated with, the Bank.

"Regulation S" means Regulation S under the Securities Act.

"Regulation S Global Certificates" means the Temporary Regulation S Global Certificates and the Permanent Regulation S Global Certificates.

"Regulatory Event" means that the Bank is notified by a relevant regulatory authority that, as a result of the occurrence of any amendment to, or change (including any change that has been adopted but has not yet become effective) in, the applicable banking laws of Germany (or any rules, regulations or interpretations thereunder, including rulings of the relevant banking authorities) or the guidelines of the Committee on Banking Supervision at the Bank for International Settlements, in each case effective after the date of the issuance of the Company Securities and the Trust Securities, the Bank is not, or will not be, allowed to treat the Class B Preferred Securities as core capital or Tier 1 regulatory capital for capital adequacy purposes on a consolidated basis.

"Relevant Jurisdiction" means the United States or Germany or, during any period during which Substitute Obligations are outstanding, the jurisdiction of residence of any obligor on outstanding Substitute Obligations (or any jurisdiction from which payments are made).

"Relevant Persons" means (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Order and (iii) high net worth entities, and other persons to whom this document may lawfully be communicated, falling within Article 49(2) of the Order.

"Remaining Life" means the period from the Redemption Date to and including the Initial Redemption Date.

"Reset Date" means January 19, 2016.

"Restricted Global Certificate" means a global certificate in fully registered form representing Trust Preferred Securities offered and sold to QIBs in reliance on Rule 144A.

"Rule 144A" means Rule 144A under the Securities Act.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Services Agreement" means the services agreement among the Trust, the Company and the Bank or a majority-owned affiliate of the Bank.

"Sponsor" means the Company, in relation to the Trust Agreement.

"Stated Rate" means, for Payment Periods ending prior to the Reset Date, the Fixed Rate, and for each subsequent Payment Period, the Floating Rate.

"Substitute Obligations" means any obligation issued in substitution for the Initial Obligation.

"Successor Securities" means other securities having substantially the same terms as the Trust Securities.

"Support Undertaking" means a support agreement between the Bank and the Company.

"Tax Event" means (A) the receipt by the Bank of an opinion of a nationally recognized law firm or other tax adviser in a Relevant Jurisdiction, experienced in such matters, to the effect that, as a result of (i) any amendment to, or clarification of, or change (including any announced prospective change) in, the laws or treaties (or any regulations promulgated thereunder) of a Relevant Jurisdiction or any political subdivision or taxing authority thereof or therein affecting taxation, (ii) any Administrative Action, or (iii) any amendment to, clarification of, or change in the official position or the interpretation of such Administrative Action or any interpretation or pronouncement that provides for a position with respect to such Administrative Action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective, or which pronouncement or decision is announced,

after the date of issuance of the Company Securities and the Trust Securities, there is more than an insubstantial risk that (a) the Trust or the Company is or will be subject to more than a *de minimis* amount of taxes, duties or other governmental charges, or (b) the Trust, the Company or an obligor on the Obligations would be obligated to pay Additional Amounts or Additional Interest Amounts, or (B) a final determination has been made by the German tax authorities to the effect that the Bank, as obligor on the Obligations, may not, in the determination of its taxable income for the purposes of determining German corporate income tax in any year, deduct in full interest payments on the Obligations (except to the extent such interest payments are determined to be connected with income of a branch that is not subject to taxation in Germany). However, none of the foregoing will constitute a Tax Event if it may be avoided by the Bank, the Trust or the Company taking reasonable measures under the circumstances.

"Temporary Regulation S Global Certificate" means a temporary global certificate representing Trust Preferred Securities offered and sold or transferred in accordance with Regulation S, which will be exchangeable for a Permanent Regulation S Global Certificate not earlier than 40 days after the Closing Date upon certification of non-U.S. beneficial ownership.

"Treasury Rate" means (i) the yield, under the heading which represents the average for the immediately prior week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the U.S. Federal Reserve and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities", for the maturity corresponding to the Remaining Life (if no maturity is within three months before or after the Remaining Life, yields for two published maturities most closely corresponding to the Remaining Life will be determined and the Treasury Rate will be interpolated or extrapolated from such yields on a straight-line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Redemption Date. The Treasury Rate will be calculated on the third Business Day preceding the Redemption Date. For this purpose:

> "Comparable Treasury Issue" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the Remaining Life that would be utlilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Remaining Life. If no United States Treasury security has a maturity which is within a period from three months before to three months after the Initial Redemption Date, the two most closely corresponding United States Treasury securities will be used as the Comparable Treasury Issue, and the Treasury Rate will be interpolated or extrapolated on a straight-line basis, rounding to the nearest month using such securities.
>
> "Comparable Treasury Price" means with respect to the relevant Redemption Date (A) the average of five Reference Treasury Dealer Quotations for the Redemption Date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Quotation Agent obtains fewer than five such Treasury Dealer Quotations, the average of all such Quotations.
>
> "Reference Treasury Dealer" means (i) the Quotation Agent and (ii) any other Primary Treasury Dealer selected by the Quotation Agent.
>
> "Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and the Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p. m., New York City time, on the third Business Day preceding the Redemption Date.

"Tier 1 Regulatory Capital" means core capital *(Kernkapital)* of the Bank on a consolidated basis.

"Trust" means Deutsche Bank Capital Funding Trust VII, a statutory trust created under the laws of the State of Delaware.

“Trust Act” means the Delaware Statutory Trust Act, as amended.

“Trust Agreement” means the trust agreement among the Trustees and the Bank, as the Sponsor and holder of the Trust Common Security, as amended and restated in its entirety prior to the issuance of the Trust Preferred Securities.

“Trust Common Security” means the common security of the Trust.

“Trust Preferred Securities” means the 800,000 Noncumulative Trust Preferred Securities, Liquidation Preference Amount $ 1,000 per security offered in the Offering.

“Trust Preferred Securityholder” means a person that acquires Trust Preferred Securities on their original issue at their original Offering Price.

“Trust Securities” means the Trust Common Security together with the Trust Preferred Securities.

“Trust Special Redemption Event” means (i) a Tax Event solely with respect to the Trust, but not with respect to the Company, or (ii) an Investment Company Act Event solely with respect to the Trust, but not with respect to the Company.

“Trustees” means the five trustees of the Trust, pursuant to the Trust Agreement.

“U.S. GAAP” means accounting principles generally accepted in the United States.

“U.S. Person” has the meaning given to it in Regulation S, unless otherwise specified.

“Withholding Taxes” means any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or on behalf of the United States or Germany or, during any period in which any Substitute Obligations are outstanding, any Relevant Jurisdiction, or by or on behalf of any political subdivision or authority therein or thereof having the power to tax.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain forward-looking statements with respect to Deutsche Bank Group's financial condition and results of operations. In this document, forward-looking statements include, among others, statements relating to:

- implementation of strategic initiatives;
- the development of aspects of results of operations;
- expectations of the impact of risks that affect Deutsche Bank's business, including the risks of loss on credit exposures and risks relating to changes in interest and currency exchange rates and in asset prices; and
- other statements relating to future business development and economic performance.

In addition, Deutsche Bank Group may from time to time make forward-looking statements in its annual and periodic reports to the SEC on Form 20-F and Form 6-K, annual and interim reports, invitations to annual shareholders' meetings and other information sent to shareholders, offering circulars and prospectuses, press releases and other written materials. Deutsche Bank Group's Management Board, Supervisory Board, officers and employees may also make oral forward-looking statements to third parties, including financial analysts.

Forward-looking statements are statements that are not historical facts, including statements about Deutsche Bank Group's beliefs and expectations. When used in this Offering Circular, words such as "believe", "anticipate", "expect", "intend", "seek", "estimate", "project", "should", "potential", "reasonably possible", "plan" and similar expressions identify forward-looking statements.

By their very nature, forward-looking statements involve risks and uncertainties, both general and specific. Deutsche Bank Group bases these statements on its current plans, estimates, projections and expectations. Potential investors should therefor not place too much reliance on them. Forward-looking statements speak only as of the date they were made, and Deutsche Bank Group undertakes no obligation to update any of them in light of new information or future events, unless required by law.

A number of important factors could cause Deutsche Bank Group's actual results to differ materially from those described in any forward-looking statement. These factors include, among others, the following:

- changes in general economic and business conditions;
- changes and volatility in currency exchange rates, interest rates and asset prices;
- changes in governmental policy and regulation, and political and social conditions;
- changes in Deutsche Bank Group's competitive environment;
- the success of Deutsche Bank Group's acquisitions, divestitures, mergers and strategic alliances;
- the success of any realignments of the Deutsche Bank Group's Divisions and risks that Deutsche Bank Group may not fully realize the benefits anticipated from these realignments and from any cost containment plans that Deutsche Bank Group has initiated; and
- other factors, including those referred to elsewhere in this document and others that are not referred to in this document.

PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated, any reference in this Offering Circular to "Consolidated Financial Statements" is to the audited consolidated financial statements (including the notes thereto) included herein of Deutsche Bank Group as of December 31, 2004 and December 31, 2003 and for the years ended December 31, 2004, December 31, 2003 and December 31, 2002, and any reference to the "Interim Consolidated Financial Statements" is to the unaudited consolidated financial statements (including the notes thereto) incorporated by reference herein of Deutsche Bank Group as of and for the nine-month periods ended September 30, 2005 and September 30, 2004. The Consolidated Financial Statements and the Interim Consolidated Financial Statements were prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

The amount of "Distributable Profits" of the Bank for any fiscal year, which determines the extent to which the Company is authorized to make Capital Payments on the Class B Preferred Securities, is calculated on the basis of the Bank's audited unconsolidated financial statements prepared in accordance with accounting provisions generally accepted in the Federal Republic of Germany as described in the German Commercial Code *(Handelsgesetzbuch)* and other applicable German law then in effect. See "Description of the Company Securities – Class B Preferred Securities – Capital Payments".

In this Offering Circular, all references to "billions" are references to one thousand millions. Due to rounding, the numbers presented throughout this Offering Circular may not add up precisely, and percentages may not precisely reflect absolute figures.

DOCUMENTS INCORPORATED BY REFERENCE AND ADDITIONAL INFORMATION

The Bank hereby incorporates by reference the documents listed below which have been filed with the SEC under the Securities Exchange Act of 1934:

– the annual report of the Bank on Form 20-F for the fiscal year ended December 31, 2004, which was filed with the SEC on March 24, 2005; and

– the Bank's reports on Form 6-K which were furnished to the SEC on April 29, 2005, July 28, 2005 and October 28, 2005.

The Bank also incorporates by reference each report that the Bank files with or furnishes to the SEC under Sections 13(a), 13(c), or 15(d) of the Securities Exchange Act of 1934 after the date of this Offering Circular but before the end of the offering of the Trust Preferred Securities.

Any statement contained in a document incorporated or deemed to be incorporated herein shall be deemed to be modified or superseded for purposes of this Offering Circular to the extent that a statement contained in this Offering Circular or in any other subsequently filed document which is also incorporated or deemed to be incorporated herein by reference modifies or replaces such statement.

If, at any time, the Bank is neither subject to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, it will furnish, upon written request of a holder of the Trust Preferred Securities (or Class B Preferred Securities, if necessary) or a prospective purchaser designated by such holder, the information required to be delivered pursuant to Rule 144A(d)(4).

Each prospective purchaser of the Trust Preferred Securities may request a copy of any filings referred to above (excluding exhibits), at no cost, by contacting us at the following address:

Deutsche Bank Aktiengesellschaft
Grosse Gallusstrasse 10–14
D-60272 Frankfurt am Main, Germany
Attention: Legal/Debt Capital Markets

EXCHANGE RATE INFORMATION

The Bank and the Deutsche Bank Group prepare their financial statements in euros. The following table sets forth, for the period from January 1, 2001 through January 10, 2006, the yearly low, high, average and period-end noon buying rates in the City of New York for cable transfers of euros as certified for customs purposes by the Federal Reserve Bank of New York:

U.S. Dollars per € 1.00

Year	Low	High	Average	Period-End
2001	0.8370	0.9535	0.8909 (1)	0.8901
2002	0.8594	1.0485	0.9495 (1)	1.0485
2003	1.0361	1.2597	1.1411 (1)	1.2597
2004	1.1975	1.3538	1.2478 (1)	1.3538
2005	1.1667	1.3476	1.2400 (1)	1.1842
2006 (through January 10)	1.1980	1.2148	1.2075 (2)	1.2063

Source: Federal Reserve Bank of New York

(1) The average of the noon buying rates on the last business day of each month during the relevant period.
(2) The average of the noon buying rates on each business day during the relevant period.

The above rates may differ from the actual rates used in the preparation of the Bank's consolidated financial statements and other financial information appearing in this Offering Circular. The inclusion of these exchanges rates is not meant to suggest that the euro amounts actually represent such U.S. dollar amounts or that such amounts could have been converted into U.S. dollars at any particular rate, if at all.

NOTICE TO INVESTORS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any Trust Preferred Securities.

Each purchaser or holder of the Trust Preferred Securities (including the registered holders and beneficial owners of the Trust Preferred Securities as they exist from time to time, in each case as of the time of purchase), by their acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Trust, the Company, the Bank and the Initial Purchasers as follows (terms used in this paragraph that are defined in Rule 144A and Regulation S under the Securities Act are used herein as defined therein):

(1) The purchaser understands and acknowledges that the Trust Preferred Securities have not been registered under the Securities Act or any other applicable securities law, are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A and Regulation S, and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom or in a transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraph (4) below.

(2) The purchaser is not an Affiliate (as defined in Rule 144 under the Securities Act) of the Bank or any of its affiliates and is not acting on behalf of such a person and it (A) (i) is a QIB, (ii) is aware that the sale of the Trust Preferred Securities to it is being made in reliance on Rule 144A and (iii) is acquiring such Trust Preferred Securities for its own account or the account of a QIB, or (B) is not a U.S. Person, is located outside the United States, is not acquiring Trust Preferred Securities for the account or benefit of a U.S. Person, and otherwise is purchasing Trust Preferred Securities pursuant to Regulation S.

(3) The purchaser acknowledges that none of the Trust, the Company, the Bank or the Initial Purchasers nor any person representing any of them has made any representation to it with respect to the Trust, the Company, the Bank or the offering or sale of any Trust Preferred Securities, other than the information contained in this Offering Circular, which Offering Circular has been delivered to it and upon which it is relying in making its investment decision with respect to the Trust Preferred Securities. It acknowledges that no representation or warranty is made by the Initial Purchasers as to the accuracy or completeness of such materials. It has had access to such financial and other information concerning the Trust, the Company, the Bank, the Branch, the Class B Preferred Securities and the Trust Preferred Securities as it has deemed necessary in connection with its decision to purchase any of the Trust Preferred Securities, including an opportunity to ask questions of and request information from the Trust, the Company, the Bank and the Initial Purchasers.

(4) The purchaser is purchasing the Trust Preferred Securities for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or otherwise for offer or sale in connection with, any distribution thereof in violation of the Securities Act. It agrees on behalf of itself and on behalf of any investor account for which it is purchasing the Trust Preferred Securities, and each subsequent holder of the Trust Preferred Securities may not be offered, resold, pledged or otherwise transferred by such person except (A) (i) to an institutional investor that the seller reasonably believes is a QIB purchasing for its own account or the account of a QIB, whom the seller has informed, in each case, that the reoffer, resale, pledge or other transfer is being made in reliance on Rule 144A, (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (iii) in a transaction otherwise exempt from registration under the Securities Act, in each case subject to (a) the receipt by the transfer agent of a certification in the form set forth on the reverse of the Restricted Global Certificate (as defined herein) or (b) the receipt by the transfer agent of such other evidence acceptable to the transfer agent that such reoffer, resale, pledge or transfer is in compliance with the Securities Act and other applicable laws and (B) in accordance with all applicable securities laws of the states of the United States and foreign jurisdictions.

(5) If it is a purchaser in a sale that occurs outside the United States within the meaning of Regulation S, the purchaser agrees that until the expiration of the "40-day distribution compliance period" within the meaning of Rule 903 of Regulation S, no offer or sale of the Trust Preferred Secu-

rities shall be made by it to a U.S. Person or for the account or benefit of a U.S. Person except to a QIB and in compliance with the applicable restrictions set forth in paragraph (4) above.

(6) On each day that it holds Trust Preferred Securities (or Class B Preferred Securities) either (A) the purchaser is not itself, and is not acquiring any Trust Preferred Securities (or Class B Preferred Securities) with "plan assets" of, an employee benefit plan or other plan subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code"), a governmental plan which is subject to any federal, state or local law that is substantially similar to such provisions of ERISA or the Code ("Similar Law") or an entity whose underlying assets include "plan assets" by reason of any such plan's investment in the entity or (B) the purchase, holding and redemption of any Trust Preferred Securities (or Class B Preferred Securities) is exempt by reason of U.S. Department of Labor prohibited transaction class exemption ("PTCE") 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts), or PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers) or similar exemptions from Similar Law.

(7) The purchaser acknowledges that the Restricted Global Certificates will bear a legend to the following effect unless the Company and the Bank determine otherwise in compliance with applicable law and the provisions of the Trust Agreement:

THE NONCUMULATIVE TRUST PREFERRED SECURITIES EVIDENCED HEREBY (THE "SECURITIES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING THIS CERTIFICATE, AGREES FOR THE BENEFIT OF DEUTSCHE BANK AG, DEUTSCHE BANK CAPITAL FUNDING TRUST VII, DEUTSCHE BANK CAPITAL FUNDING LLC VII AND THE INITIAL PURCHASERS THAT THIS CERTIFICATE MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") TO AN INSTITUTIONAL INVESTOR THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER, WITHIN THE MEANING OF RULE 144A (A "QUALIFIED INSTITUTIONAL BUYER"), PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) IN A TRANSACTION OTHERWISE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO (A) THE RECEIPT BY THE TRANSFER AGENT OF A CERTIFICATION SUBSTANTIALLY IN THE FORM PROVIDED ON THE REVERSE HEREOF OR (B) THE RECEIPT BY THE TRANSFER AGENT OF SUCH OTHER EVIDENCE ACCEPTABLE TO THE TRANSFER AGENT THAT SUCH REOFFER, RESALE, PLEDGE OR TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS.

FURTHER, THE HOLDER HEREOF, BY PURCHASING AND HOLDING THIS CERTIFICATE, WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT ON EACH DAY THAT IT HOLDS THE SECURITIES (OR CLASS B PREFERRED SECURITIES) EITHER (A) IT IS NOT ITSELF, AND IS NOT ACQUIRING ANY SECURITIES (OR CLASS B PREFERRED SECURITIES) WITH "PLAN ASSETS" OF, AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), A GOVERNMENTAL PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAW") OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH PLAN'S INVESTMENT IN THE ENTITY OR (B) THE PURCHASE, HOLDING AND REDEMPTION OF ANY SECURITIES (OR CLASS B PREFERRED SECURITIES) IS EXEMPT BY REASON OF U.S. DEPARTMENT OF LABOR PROHIBITED TRANSACTION CLASS EXEMPTION ("PTCE") 96-23 (FOR CERTAIN TRANSACTIONS DETERMINED BY IN-HOUSE ASSET MANAGERS), PTCE 95-60 (FOR CERTAIN TRANSACTIONS INVOLVING INSURANCE COMPANY GENERAL ACCOUNTS), PTCE 91-38 (FOR CERTAIN TRANSACTIONS INVOLVING BANK COLLECTIVE INVESTMENT FUNDS), PTCE 90-1 (FOR CERTAIN TRANSACTIONS INVOLVING INSURANCE COM-

PANY SEPARATE ACCOUNTS), OR PTCE 84-14 (FOR CERTAIN TRANSACTIONS DETERMINED BY INDEPENDENT QUALIFIED PROFESSIONAL ASSET MANAGERS) OR SIMILAR EXEMPTIONS FROM SIMILAR LAW.

(8) The purchaser acknowledges that the Regulation S Global Certificates will bear a legend to the following effect unless the Company and the Bank determine otherwise in accordance with applicable law and the provisions of the Trust Agreement:

THE NONCUMULATIVE TRUST PREFERRED SECURITIES EVIDENCED HEREBY (THE "SECURITIES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) UNLESS SO REGISTERED OR AN EXEMPTION THEREFROM IS AVAILABLE.

FURTHER, THE HOLDER HEREOF, BY PURCHASING AND HOLDING THIS CERTIFICATE, WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT ON EACH DAY THAT IT HOLDS THE SECURITIES (OR CLASS B PREFERRED SECURITIES) EITHER (A) IT IS NOT ITSELF, AND IS NOT ACQUIRING ANY SECURITIES (OR CLASS B PREFERRED SECURITIES) WITH "PLAN ASSETS" OF, AN EMPLOYEE BENEFIT PLAN OR OTHER PLAN SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), A GOVERNMENTAL PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR LAW") OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH PLAN'S INVESTMENT IN THE ENTITY OR (B) THE PURCHASE, HOLDING AND REDEMPTION OF ANY SECURITIES (OR CLASS B PREFERRED SECURITIES) IS EXEMPT BY REASON OF U.S. DEPARTMENT OF LABOR PROHIBITED TRANSACTION CLASS EXEMPTION ("PTCE") 96-23 (FOR CERTAIN TRANSACTIONS DETERMINED BY IN-HOUSE ASSET MANAGERS), PTCE 95-60 (FOR CERTAIN TRANSACTIONS INVOLVING INSURANCE COMPANY GENERAL ACCOUNTS), PTCE 91-38 (FOR CERTAIN TRANSACTIONS INVOLVING BANK COLLECTIVE INVESTMENT FUNDS), PTCE 90-1 (FOR CERTAIN TRANSACTIONS INVOLVING INSURANCE COMPANY SEPARATE ACCOUNTS), OR PTCE 84-14 (FOR CERTAIN TRANSACTIONS DETERMINED BY INDEPENDENT QUALIFIED PROFESSIONAL ASSET MANAGERS) OR SIMILAR EXEMPTIONS FROM SIMILAR LAW.

(9) The purchaser acknowledges that the Trust, the Company, the Bank, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of such acknowledgments, representations and agreements is no longer accurate, it will promptly notify the Bank and the Initial Purchasers. If it is acquiring any Trust Preferred Securities as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

SUMMARY

The following description of certain general features of the Offering does not purport to be complete and is taken from and qualified in its entirety by the remainder of this Offering Circular.

The Trust

The Trust is a statutory trust formed under the Delaware Statutory Trust Act, as amended (the "Trust Act"), pursuant to a trust agreement executed by the Company, as sponsor, The Bank of New York, as trustee (the "Property Trustee"), and Deutsche Bank Trust Company Delaware, as Delaware trustee (the "Delaware Trustee"), and the filing of a certificate of trust with the Secretary of State of the State of Delaware on November 22, 2005. Such trust agreement will be amended and restated in its entirety (as so amended and restated, the "Trust Agreement") prior to the issuance of the Trust Preferred Securities. The Bank will own the Trust Common Security representing a capital contribution in respect thereof equal to $ 1,000.

The Company

The Company is a limited liability company formed under the Delaware Limited Liability Company Act, as amended (the "LLC Act"), on November 22, 2005, pursuant to a limited liability company agreement of the Company and the filing of a certificate of formation of the Company with the Secretary of State of the State of Delaware. Such limited liability company agreement of the Company will be amended and restated in its entirety (as so amended and restated, the "LLC Agreement") prior to the issuance of the Trust Preferred Securities. Pursuant to the LLC Agreement, the Company will issue two classes of preferred securities representing limited liability company interests in the Company, the Class A Preferred Security and the Class B Preferred Securities, and one class of a common security representing limited liability company interests in the Company, the Company Common Security. The Bank will hold the Company Common Security and the Class A Preferred Security. The Company will be treated as a partnership for United States federal income tax purposes.

The Bank

History and Development of the Bank

Deutsche Bank Aktiengesellschaft originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Düsseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on May 2, 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main (telephone: +49-69-910-00) and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a property finance company, instalment financing companies, research and consultancy companies and other domestic and foreign companies (the "Deutsche Bank Group").

The objects of the Bank, as laid down in its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. The Bank may realise these objectives itself or through subsidiaries and affiliated companies. To the extent permitted by law, the Bank is entitled to transact all business and to take all steps which appear likely to promote the objectives of the Bank, in particular: to acquire and dispose

of real estate, to establish branches at home and abroad, to acquire, administer and dispose of participations in other enterprises, and to conclude enterprise agreements.

The Bank operates through three group divisions:

The **Corporate and Investment Bank (CIB)** comprises the following businesses:

Global Markets comprises all origination, sales, trading and research in securities.

Global Banking handles all financial requirements of companies including loans, M&A advisory services, trade and export finance and cash management services.

Private Clients and Asset Management (PCAM) comprises the following businesses:

Private & Business Clients serves private and business clients in seven countries in Europe and provides them with comprehensive and integrated financial solutions both for their private and business requirements.

Private Wealth Management pursues an integrated holistic business model to cater for the complex needs of high net worth clients, their families and selected institutions.

Asset Management combines asset management for institutional clients and private investors. It offers products in equities, bonds and real estate.

Corporate Investments (CI).

The Offering

Securities Offered	The Trust will offer 800,000 Trust Preferred Securities with a Liquidation Preference Amount of $ 1,000 per Trust Preferred Security. The terms of the Trust Preferred Securities will be substantially identical to the terms of the Class B Preferred Securities.
Use of Proceeds	All the proceeds from the sale of the Trust Preferred Securities will be invested by the Trust in the Class B Preferred Securities. The Company will use substantially all of the proceeds from the sale of the Class B Preferred Securities to invest in the Initial Obligation. The Bank intends to use the proceeds from the sale of the Initial Obligation for general corporate purposes, and the Bank expects to treat the Class B Preferred Securities as consolidated Tier I regulatory capital. The Bank will pay certain commissions to the Initial Purchasers (one of which is an affiliate of the Bank) and reimburse the Initial Purchasers for certain expenses in connection with the Offering.
Bank's Support Undertaking	The Bank will execute a Support Undertaking under which it will agree that (i) the Company will at all times be in a position to meet its obligations if and when such obligations are due and payable, including Capital Payments declared (or deemed declared) on the Class B Preferred Securities and payments due upon redemption of the Class B Preferred Securities plus, in each case, Additional Amounts thereon, if any, and (ii) in liquidation, the Company will have sufficient funds to pay the liquidation preference amounts of the Class B Preferred Securities, plus accrued and unpaid Capital Payments for the then current Payment Period to but excluding the date of liquidation plus Additional Amounts, if any. The Support Undertaking is not a guarantee of any kind that the Company will at any time have sufficient assets to declare a Capital Payment or other distribution. The Bank's obligations under the Support Undertaking will be subordinated as described herein. The holders of the Class B Preferred Securities will be third-party beneficiaries of the Support Undertaking.

Summary of the Terms of the Trust Preferred Securities and the Class B Preferred Securities

Maturity

The Trust Preferred Securities and the Class B Preferred Securities will not have a maturity date or be subject to any mandatory redemption provisions.

Capital Payments

Capital Payments will accrue on the respective liquidation preference amounts of $ 1,000 per Trust Preferred Security (the "Liquidation Preference Amount") and $ 1,000 per Class B Preferred Security (i) for each Payment Period ending prior to the Reset Date, at the Fixed Rate and be payable semi-annually in arrears on each Fixed Rate Payment Date and (ii) for each Payment Period commencing on or after the Reset Date, at the Floating Rate and be payable quarterly in arrears on each Floating Rate Payment Date.

Capital Payments payable on each Payment Date will accrue from and including the immediately preceding Payment Date (or the Issue Date, with respect to the Capital Payment payable on the first Payment Date) up to but excluding the relevant Payment Date (each such period, a "Payment Period"). For each Payment Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30-day months. For each Payment Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year. Capital Payments will be noncumulative.

If any Payment Date or Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Payment Date or Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Payment Date or Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Payment Date or Redemption Date shall be the immediately preceding Business Day.

Capital Payments on the Class B Preferred Securities will be paid out of the Company's Operating Profits (as defined herein) or from payments received by the Company under the Support Undertaking. If the Company does not declare (and is not deemed to have declared) a Capital Payment in respect of any Payment Period, the holders of the Class B Preferred Securities will have no right to receive a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, and the Company will have no obligation to pay a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, whether or not Capital Payments on the Class B Preferred Securities are declared (or deemed to have been declared) and paid on the Class B Preferred Securities in respect of any future Payment Period.

Capital Payments on the Class B Preferred Securities are authorized to be declared and paid on any Payment Date to the extent that:

- the Company has an amount of Operating Profits for the Payment Period ending on the day immediately preceding such Payment Date at least equal to the amount of such Capital Payments; and
- the Bank has an amount of Distributable Profits (as defined herein) for the preceding fiscal year for which audited financial statements are available at least equal to the aggregate amount of such Capital Payments on the Class B Preferred Securities and capital payments or dividends or other distributions or payments on Preferred Tier 1 Securities, if any, *pro rata* on the basis of Distributable Profits for such preceding fiscal year.

Notwithstanding the foregoing, under certain circumstances described herein, the Company may be deemed to have declared full or partial Capital Payments on the Class B Preferred Securities.

Despite sufficient Operating Profits of the Company and sufficient Distributable Profits of the Bank, the Company will not be permitted to make Capital Payments on the Class B Preferred Securities on any Payment Date (or a date set for redemption or liquidation) if on such date there is in effect an order of the German Federal Financial Supervisory Authority *(Bundesanstalt für Finanzdienstleistungsaufsicht)* (the "BaFin") (or any other relevant regulatory authority) prohibiting the Bank from making any distributions of profits.

The Company will have no obligation to make up, at any time, any Capital Payments not paid in full by the Company as a result of insufficient Operating Profits of the Company, insufficient Distributable Profits of the Bank or an order of the BaFin.

Paying Agent

Deutsche Bank Trust Company Americas will act as Paying Agent.

Payments of Additional Amounts

Except as further described herein, payments on the Class B Preferred Securities and the Trust Preferred Securities, as the case may be, and any amount payable in liquidation or upon redemption thereof, will be made without deduction or withholding for or on account of any Withholding Taxes (as defined herein), unless such deduction or withholding is required by law. In such event, the Company or the Trust, as the case may be, will pay, as additional Capital Payments, such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts received by the holders of the Class B Preferred Securities and the Trust Preferred Securities, after such deduction or withholding, will equal the amounts that otherwise would have been received in respect of the Class B Preferred Securities and the Trust Preferred Securities had no such deduction or withholding been required.

Redemption

Upon redemption of the Class B Preferred Securities, the Trust must redeem the Trust Securities. Provided certain requirements are met, the Class B Preferred Securities are redeemable at the option of the Company, in whole but not in part, on the Initial Redemption Date and on each Payment Date thereafter at a redemption price per Class B Preferred Security equal to the liquidation preference amount thereof, plus any accrued and unpaid Capital Payments for the then current Payment Period to but excluding the Redemption Date (the "Redemption Price"), plus Additional Amounts, if any.

The Company will also have the right, prior to the Initial Redemption Date, to redeem the Class B Preferred Securities at any time, in whole but not in part, upon the occurrence of a Company Special Redemption Event at the Early Redemption Price plus Additional Amounts, if any.

Upon the occurrence of a Trust Special Redemption Event or in the event of any voluntary or involuntary dissolution, liquidation, winding up or termination of the Trust, holders of the Trust Securities, will be entitled to receive a pro rata amount of the Class B Preferred Securities. The Class B Preferred Securities and the Trust Preferred Securities will not have any scheduled maturity date and will not be redeemable at any time at the option of the holders thereof.

Form and Denominations; Clearing and Settlement

The Trust Preferred Securities will be issued in book-entry form only, in denominations of U.S.$ 1,000 Liquidation Preference Amount (and greater integral multiples of $ 1,000) and will be represented by registered Global Certificates deposited with a custodian for and registered in the name of a nominee of DTC.

Beneficial interests in the Trust Preferred Securities will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. Trust Preferred Securities offered and sold in reliance on Rule 144A will be evidenced by Restricted Global Certificates. Trust Preferred Securities offered and sold in reliance on Regulation S will be evidenced by a separate Temporary Regulation S Global Certificate, which will be exchangeable for a Permanent Regulation S Global Certificate not earlier than 40 days after the Closing Date upon certification of non-U.S. beneficial ownership.

Governing Law

The LLC Agreement, including the terms of the Class A Preferred Security and the Class B Preferred Securities, and the Trust Agreement, including the terms of the Trust Securities, will be governed by Delaware law. The Support Undertaking will be governed by German law.

Summary of the Terms of the Initial Obligation

Maturity

The Initial Obligation will have a Maturity Date of January 19, 2036.

Principal Amount

The Initial Obligation will be an issue of subordinated obligations of the Bank, acting through the Branch. The aggregate principal amount of the Initial Obligation will be $ 800,000,000 (equal to the proceeds from the offer and sale of the Trust Preferred Securities and the resulting issuance of the Class B Preferred Securities) (the "Principal Amount").

Interest Payments

Interest on each individual note comprising a portion of the Principal Amount will accrue (i) for each Interest Period ending prior to the Reset Date, at the Fixed Rate and be payable annually in arrears on each Fixed Rate Payment Date and (ii) for each Interest Period commencing on or after the Reset Date, at the Floating Rate and be payable quarterly in arrears on each Floating Rate Payment Date.

Interest Payments will accrue from and including the immediately preceding Interest Payment Date (or the Issue Date, with respect to the Interest Payment payable on the first Interest Payment Date) up to but excluding the relevant Interest Payment Date (each such period, an "Interest Period"). For each Interest Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30-day months. For each Interest Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year.

If any Interest Payment Date or Obligation Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Interest Payment Date or Obligation Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Interest Payment Date or Obligation Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Interest Payment Date or Obligation Redemption Date shall be the immediately preceding Business Day.

Ranking

With respect to payment of interest and principal and any other amounts upon liquidation of the Bank, the Initial Obligation (i) will be subordinated to all debt obligations of the Bank that are not subordinated, (ii) will rank *pari passu* with other subordinated debt obligations or other instruments, and (iii) will be senior to all junior subordinated debt obligations and to preference shares of the Bank, if any, and the common shares of the Bank.

Redemption

The Initial Obligation will not be redeemable prior to the Initial Obligation Redemption Date, except under the circumstances described herein.

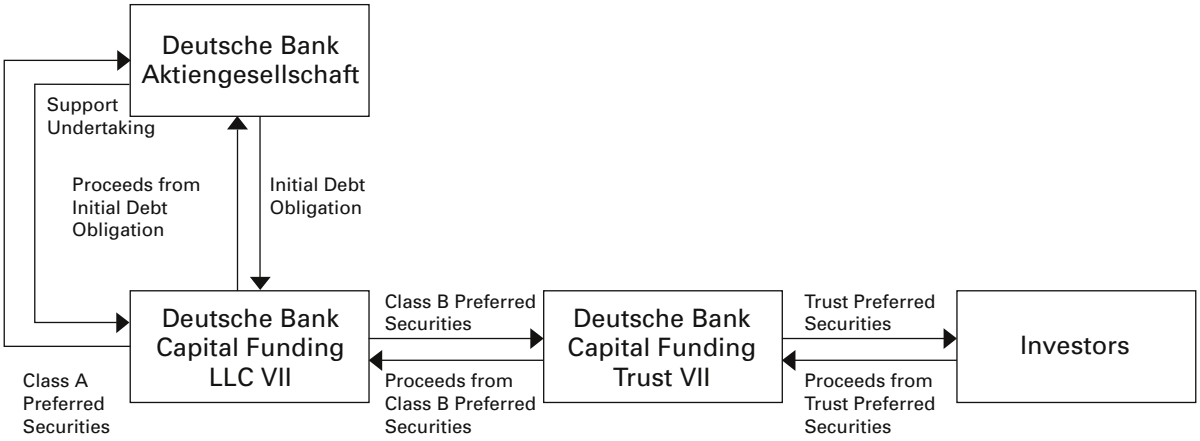
Except as described herein, the Initial Obligation may not be redeemed for any reason unless the Company has the right to, and has given notice that it will, redeem the Class B Preferred Securities.

Governing Law The Initial Obligation will be governed by New York law.

Offering Transactions

Prior to or simultaneously with the completion of the Offering, the Company, the Trust and the Bank will engage in the following transactions: (i) the Company will issue to the Bank the Company Common Security; (ii) the Company will issue to the Bank the Class A Preferred Security; (iii) the Trust will issue to the Bank the Trust Common Security; (iv) the Trust will issue the Trust Preferred Securities to the Initial Purchasers, which will sell the Trust Preferred Securities to investors; (v) the Company will issue to the Trust the Class B Preferred Securities and (vi) the Company will invest the proceeds from the issuance of the Class B Securities in the Initial Obligation.

The following diagram summarizes the relationship among the Company, the Trust, the Bank and investors in the Trust Preferred Securities following completion of the Offering.



RISK FACTORS

An investment in the Trust Preferred Securities involves certain risks. An investor should carefully consider the following discussion, in conjunction with the other information contained in this Offering Circular, before deciding whether an investment in the Trust Preferred Securities is suitable.

The Company Is Not Required to Make Capital Payments

The declaration of Capital Payments by the Company on the Class B Preferred Securities (and, accordingly, the payment of Capital Payments on the Trust Preferred Securities by the Trust) is limited by the terms of the LLC Agreement. Although it is the policy of the Company to distribute the full amount of Operating Profits for each Payment Period as Capital Payments to the holders of the Class B Preferred Securities, the Board of Directors has discretion in declaring and making Capital Payments (except with respect to deemed declarations which are mandatory). In addition, even if the Bank has sufficient Distributable Profits, the Company will not be permitted to make Capital Payments on the Class B Preferred Securities on any Payment Date if on such date there is in effect an order of the BaFin or any other relevant regulatory authority prohibiting the Bank from making any distributions of profits. To the extent the Company is not permitted to make Capital Payments on the Class B Preferred Securities on any Payment Date, this will reduce the amounts available to the Trust to make Capital Payments on the Trust Preferred Securities. See "Description of the Company Securities – Class B Preferred Securities – Capital Payments" and "Description of the Trust Securities."

Capital Payments Are Noncumulative

The Capital Payments are discretionary and noncumulative. The LLC Agreement provides that it is the policy of the Company to distribute all of its Operating Profits; however, even if the Distributable Profits test has been met by the Bank, holders of the Trust Preferred Securities will have no right to receive any Capital Payments in respect of such Payment Period unless the Board of Directors declares (or is deemed to have declared) Capital Payments on the Class B Preferred Securities for such Payment Period. See "Description of the Company Securities – Class B Preferred Securities – Capital Payments."

No Voting Rights; Relationships with the Bank and Its Affiliates; Certain Conflicts of Interest

The Bank will control the Company through its power to elect a majority of the Board of Directors as holder of the Company Common Security. Generally, the Trust, to the extent that it is the holder of the Class B Preferred Securities, will have no right to vote to elect members of the Board of Directors. The only exception is that holders will have the right to elect one independent member to the Board of Directors, the Independent Enforcement Director, if: (i) the Company fails to make Capital Payments (and Additional Amounts thereon) on the Class B Preferred Securities at the Stated Rate in full for two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any Payment Periods beginning after the Initial Redemption Date, for four consecutive Payment Periods), or (ii) a holder of the Class B Preferred Securities has notified the Company that the Bank has failed to perform any obligation under the Support Undertaking and such failure continues for 60 days after such notice is given.

The Company expects that the initial (and all future) directors and officers of the Company and Regular Trustees of the Trust will be officers or employees of the Bank or their affiliates. Under the Services Agreement, the Bank also will provide certain accounting, legal, tax and other support services to the Company and the Trust. In addition, the Bank or affiliates of the Bank will act as Delaware Trustee, Quotation Agent and Paying Agent. Consequently, conflicts of interest may arise for those officers or employees of the Bank and its affiliates in the discharge of their duties as officers or employees of the Company or Regular Trustees of the Trust.

Special Redemption Risk

Redemption upon Occurrence of a Company Special Redemption Event. The Class B Preferred Securities (and, consequently, the Trust Preferred Securities) will be redeemable at any time at the option of the Company, in whole but not in part, upon the occurrence of a Company Special Redemption Event. A Company Special Redemption Event will arise if, as a result of certain changes in law, there are changes in the tax status of the Company; Additional Amounts relating to withholding taxes become applicable to payments on the Class B Preferred Securities, the Trust Securities or the Obligations; the Bank, as obligor of the Obligations, may not deduct in full interest payments on the Obligations for German corporate income tax purposes; the Bank is not permitted to treat the Class B Preferred Securities as Tier I regulatory capital on a consolidated basis; or the Company will be considered an "investment company" within the meaning of the U.S. Investment Company Act of 1940, as amended (the "1940 Act"). See "Description of the Trust Securities – Redemption".

Liquidation of the Trust upon Occurrence of a Trust Special Redemption Event. If there has occurred a Tax Event or an Investment Company Act Event (in each case, as defined herein) each solely with respect to the Trust, then the Trust will be dissolved and liquidated. Upon such dissolution and liquidation of the Trust, each holder of the Trust Securities would receive as its liquidation distribution a pro rata amount of the Class B Preferred Securities. Upon such distribution, holders of the Class B Preferred Securities and their nominees will become subject to Form K-1 and nominee reporting requirements under the Code. There can be no assurance as to the market price for the Class B Preferred Securities that would be distributed in exchange for Trust Preferred Securities if a dissolution and liquidation of the Trust were to occur or that such a market for the Class B Preferred Securities would ever develop. Accordingly, the Class B Preferred Securities which an investor may subsequently receive on dissolution and liquidation of the Trust may trade at a discount to the price of the Trust Preferred Securities for which they were exchanged.

The Support Undertaking Is Not A Guarantee that Capital Payments Will Be Made

The Bank and the Company have entered into the Support Undertaking for the benefit of the Company and the holders of the Class B Preferred Securities. However, the Support Undertaking does not represent a guarantee from the Bank that the Company will be authorized to declare and make a Capital Payment for any Payment Period. Furthermore, the obligations of the Bank under the Support Undertaking rank junior to all indebtedness of the Bank with the effect that, if the Bank (and therefor the Company) were liquidated, holders of the Trust Preferred Securities would have the right to receive any payments on the Liquidation Preference Amount, plus any accrued and unpaid Capital Payments for the then current Payment Period to but excluding the date of liquidation and Additional Amounts, if any, pursuant to the Support Undertaking *pari passu* with amounts payable to the holders of the most senior preference shares of the Bank. See "Description of the Support Undertaking."

No Prior Public Market; Resale Restrictions

The Trust Preferred Securities are a new issue of securities and will not be listed on any securities exchange. Prior to the Offering, there has been no market for the Trust Preferred Securities. The Trust Preferred Securities may trade at a discount to the price that the investor paid to purchase the Trust Preferred Securities offered by this Offering Circular. There can be no assurance that an active secondary market for the Trust Preferred Securities will develop. The liquidity and the market prices for the Trust Preferred Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Bank and Deutsche Bank Group and other factors that generally influence the secondary market prices of securities. Such fluctuations may significantly affect liquidity and market prices for the Trust Preferred Securities. The Trust Preferred Securities have not been registered under the Securities Act and will be subject to a number of resale restrictions. See "Notice to Investors".

Regulatory Restrictions on the Company's Operations

Because the Company is a subsidiary of the Bank, German bank regulatory authorities could make determinations in the future with respect to the Bank that could adversely affect the Company's ability to make Capital Payments in respect of the Class B Preferred Securities. In addition, United States federal or state regulatory authorities, as well as German and European Union regulatory authorities and regulatory authorities in other countries, have regulatory authority over the Bank and/or the Bank's subsidiaries. Under certain circumstances, any of such regulatory authorities could make determinations or take decisions in the future with respect to the Bank and/or any of the Bank's subsidiaries or a portion of their respective operations or assets that could adversely affect the ability of any of them to, among other things, make distributions to their respective securityholders, engage in transactions with affiliates, purchase or transfer assets, pay their respective obligations or make any redemption or liquidation payments to their securityholders. See "Information on the Company – Regulation and Supervision" in the Bank's Annual Report on Form 20-F incorporated by reference herein for a description of regulations applicable to the Bank.

Risks Associated with the Financial Condition of the Bank and Its Affiliates

If the financial condition of the Bank or its affiliates were to deteriorate, then it could result in: (i) the Bank having insufficient Distributable Profits (as shown in the audited unconsolidated balance sheet of the Bank in accordance with accounting principles generally accepted in the Federal Republic of Germany) for the Company to declare and pay Capital Payments on the Class B Preferred Securities at the Stated Rate in full, or (ii) the Company receiving reduced payments from the Bank under the Initial Obligation or the Support Undertaking. This could reduce the amounts received by the Trust in respect of the Trust Preferred Securities, which, in turn, would reduce the amounts available to the Trust for periodic distributions to holders of the Trust Preferred Securities. In addition, if a voluntary or involuntary liquidation, dissolution or winding up of the Bank were to occur, holders of the Trust Preferred Securities may lose all or part of their investment.

Market declines and volatility can materially adversely affect the revenues and profits of the Bank.

Changes in the Bank's business in recent years have been causing a shift among the primary risks it assumes. In particular, the Bank has increased its exposure to the financial markets as the Bank has emphasized growth in its investment banking activities, including trading activities. The Bank has been de-emphasizing growth in its traditional lending business. Conditions in the financial markets materially affect its businesses. Market downturns can occur not only as a result of purely economic factors, but also as a result of war, acts of terrorism, natural disasters or other similar events and can cause the Bank's revenues to decline. If the Bank is unable to reduce its expenses at the same pace, its profitability can erode. Volatility can sometimes also adversely affect the Bank. In particular, this represents the following:

- *The Bank may incur significant losses from its trading and investment activities due to market fluctuations.* The Bank enters into and maintains large trading and investment positions in the fixed income, equity and currency markets, primarily through its Corporate Banking & Securities Corporate Division, many of which include derivative financial instruments. The Bank also has made significant investments in individual companies through its Corporate Investments Group Division. In each of the product and business lines in which the Bank enters into these kinds of positions, the Bank assesses the financial markets and trends in them. The revenues and profits the Bank derives from many of its positions and its transactions in connection with them are dependent on the development of market prices.
- *Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and leading to material losses.* In some of the Bank's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the Bank cannot close out deteriorating positions in a timely way.
- *Even where losses are for its clients' accounts, they may fail to repay the Bank, leading to material losses for the Bank, and its reputation can be harmed.*

– *The Bank's investment banking revenues in the form of financial advisory and underwriting fees may decline in adverse market or economic conditions.*

– *The Bank may generate lower revenues from brokerage and other commission- and fee-based businesses if market downturns lead to declines in the volume of transactions.* The fees that the Bank charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios. A market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues the Bank receives.

The Bank's non-traditional credit businesses materially add to its traditional banking credit risks.

Many of the businesses the Bank engages in beyond the traditional lending businesses also expose the Bank to credit risk, such as holding securities of third parties or entering into swap or other derivative contracts. The Bank engages in most of these businesses through its Corporate Banking & Securities Corporate Division entailing credit transactions, frequently ancillary to other transactions.

If the Bank is are unable to implement its Business Realignment Program (BRP), it may be unable to achieve cost savings and to increase its return on equity, and its future earnings and share price may be materially and adversely affected.

Beginning in 2002, the Bank undertook a variety of measures that have enabled it to reduce costs, lower its risk profile, increase its efficiency and raise its profitability. To further pursue these objectives, the Bank announced the Business Realignment Program (BRP) in the fourth quarter of 2004. The BRP covers five key initiatives: aligning the Bank's sales and trading platforms, aligning its corporate banking efforts, reorganizing its Asset Management Business Division, adding regional focus in Germany and other regions as well as streamlining its infrastructure. The Bank may be unable to achieve cost savings and to increase its return on equity, and its future earnings and share price may be materially and adversely affected, should the Bank fail to implement the BRP initiatives or should the BRP initiatives that are implemented fail to produce the anticipated benefits. A number of internal and external factors could prevent the implementation of these initiatives or the realization of their anticipated benefits, including changes in the markets in which the Bank is active, global, regional and national economic conditions and increased competition for business and employees.

The size of the Bank's clearing operations exposes the Bank to a heightened risk of material losses should these operations fail to function properly.

The Bank believes that the sheer scope of its clearing and settlement business heightens the risk that the Bank, its customers or other third parties could lose substantial sums if the Bank's systems fail to operate properly for even short periods. This will be the case even where the reason for the interruption is external to the Bank.

The Bank's risk management policies, procedures and methods may leave the Bank exposed to unidentified or unanticipated risks, which could lead to material losses.

The Bank has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, the Bank's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic market environments or against all types of risk, including risks that the Bank fails to identify or anticipate.

The Bank may have difficulty in identifying and executing acquisitions, and both making acquisitions and avoiding them could materially harm its results of operations and its share price.

The international banking and financial services industries are consolidating rapidly. In recent years there has been substantial consolidation in the United States and Europe, regions in which the Bank generates the majority of its revenues. Even though the Bank reviews the companies it plans to acquire, it is generally not feasible for these reviews to be complete in all respects. As a result, the Bank may assume unanticipated liabilities, or an acquisition may not perform as well as expected. Were the Bank to announce or complete a significant business combination transaction, its share price could decline significantly if investors viewed the transaction as too costly or unlikely to

improve the Bank's competitive position. If the Bank avoids entering into additional business combination transactions or fails to identify attractive companies to acquire, market participants may, especially in the current climate of consolidation, perceive the Bank negatively.

The Bank may have difficulties selling non-core assets at favorable prices, or at all.

As part of its efforts to focus on core businesses, the Bank may seek to sell certain non-core assets. Unfavorable business or market conditions may make it difficult for the Bank to sell such assets at favorable prices, or may preclude such a sale altogether.

Events at companies in which the Bank has invested may make it harder to sell its holdings and result in material losses irrespective of market developments.

Where the Bank holds significant investments in other companies, the effect of losses and risks at those companies may reduce the value of its holdings considerably, including the value thereof reflected in its financial statements, even where general market conditions are favorable.

Intense competition, especially in the Bank's home market of Germany, where it has the largest single concentration of its businesses, could materially hurt the Bank's revenues and profitability.

Competition is intense in all of the Bank's primary business areas in Germany and the other countries in which it conducts large portions of its business, including other European countries and the United States. If the Bank is unable to respond to the competitive environment in Germany or in its other major markets with attractive product and service offerings that are profitable for it, the Bank may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the German economy could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the Bank and its competitors.

Unforeseeable events can interrupt the Bank's operations and cause substantial losses and additional costs.

Unforeseeable events like the terrorist attacks in the United States on September 11, 2001 can lead to an abrupt interruption of the Bank's operations which can cause substantial losses. If the Bank's business continuity plans do not address such events or cannot be implemented under the circumstances, such losses may increase.

DEUTSCHE BANK CAPITAL FUNDING TRUST VII

The Trust is a statutory trust (Delaware Secretary of State file number 4065183) formed under the Trust Act pursuant to the trust agreement executed by the Company, as sponsor, the Property Trustee and the Delaware Trustee, and the filing of a certificate of trust with the Secretary of State of the State of Delaware on November 22, 2005. Such trust agreement dated November 22, 2005, will be amended and restated in its entirety prior to the issuance of the Trust Preferred Securities to reflect the terms of the Trust Preferred Securities (as amended and restated on the Closing Date, the "Trust Agreement"). The Trust Common Security will rank *pari passu,* and payments thereon will be made *pro rata,* with the Trust Preferred Securities, except that in liquidation and in certain circumstances described under "Description of the Trust Securities – Subordination of the Trust Common Security," the rights of the holder of the Trust Common Security to periodic distributions and to payments upon liquidation, redemption and otherwise will be subordinated to the rights of the holders of the Trust Preferred Securities. For a complete description of the share capital of the Trust, see "Description of the Trust Securities".

The Trust will use all the proceeds derived from the issuance of the Trust Securities to purchase the Class B Preferred Securities from the Company, and, accordingly, the assets of the Trust will consist solely of the Class B Preferred Securities. As specified in Section 2 of the trust agreement dated November 22, 2005, and as to be further specified in Section 2.03 of the Trust Agreement, the Trust exists for the sole purposes of:

- issuing the Trust Securities representing undivided beneficial ownership interests in the assets of the Trust;
- investing the proceeds from the issuance of the Trust Securities in the Class B Preferred Securities; and
- engaging in those other activities necessary or incidental thereto.

The Trust may also, from time to time and without the consent of the holders of the Trust Preferred Securities, issue additional Trust Preferred Securities having the same terms and conditions as the Trust Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Trust Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Trust Preferred Securities in consideration for the receipt of Class B Preferred Securities equal to the aggregate liquidation preference amount of such additional Trust Preferred Securities.

Pursuant to the Trust Agreement, there will initially be five trustees (the "Trustees") of the Trust. Three of the Trustees will be individuals who are employees or officers of, or who are affiliated with, the Bank (the "Regular Trustees"). The fourth Trustee, the Property Trustee, will be a financial institution that is unaffiliated with the Bank. The fifth Trustee will be the "Delaware Trustee". Initially, The Bank of New York will act as Property Trustee, and Deutsche Bank Trust Company Delaware, a Delaware corporation, will act as Delaware Trustee, until, in each case, removed or replaced by the holder of the Trust Common Security. The Trust complies with any corporate governance requirements of the State of Delaware applicable to it.

The Property Trustee will hold title to the Class B Preferred Securities for the benefit of the holders or beneficial holders of the Trust Securities, and the Property Trustee will have the power to exercise all rights, powers and privileges with respect to the Class B Preferred Securities under the LLC Agreement. In addition, the Property Trustee will maintain exclusive control of the Property Account to hold all payments made in respect of the Class B Preferred Securities for the benefit of the holders of the Trust Securities. Funds in the Property Account will remain uninvested until disbursed pursuant to the terms of the Trust Agreement. The Bank, as the holder of the Trust Common Security, will have the right to appoint, remove or replace any of the Trustees and to increase or decrease the number of Trustees, *provided* that at least one Trustee will be the Delaware Trustee, at least one Trustee will be the Property Trustee and at least one Trustee will be a Regular Trustee.

For so long as the Trust Preferred Securities remain outstanding, the Bank will covenant (i) that the Trust Common Security will be held by the Bank or by any one or more subsidiaries of the Bank, (ii) to cause the Trust to remain a statutory trust and not to voluntarily dissolve, wind up, liquidate or be

terminated, except as permitted by the Trust Agreement and (iii) to use its commercially reasonable efforts to ensure that the Trust will not be classified as other than a grantor trust for United States federal income tax purposes.

The rights of the holders of the Trust Preferred Securities, including economic rights, rights to information and voting rights, are as set forth in the Trust Agreement and the Trust Act. See "Description of the Trust Securities".

Under the services agreement dated the Closing Date among the Trust, the Company and the Bank (the "Services Agreement"), the Bank will be obligated, among other things, to provide legal, accounting, tax and other general support services to the Trust and the Company, to maintain compliance with all applicable U.S. and German local, state and federal laws, and to provide administrative, recordkeeping and secretarial services for the Company and the Trust. The fees and expenses of the Company (to the extent not paid by the Company) and the fees and expenses of the Trust, including, in each case, any taxes, duties, assessments or governmental charges of whatsoever nature (other than Withholding Taxes) imposed by Germany, the United States or any other taxing authority upon the Company or the Trust, and all other obligations of the Company and the Trust (other than with respect to the Trust Securities or the Company Securities) will be paid by the Bank pursuant to the Services Agreement. See "Description of the Services Agreement".

The initial Regular Trustees are expected to be John Cipriani, Richard W. Ferguson and Joseph Rice. The address of all Regular Trustees will be the principal executive office of the Trust. The location of the principal executive office of the Trust is c/o Deutsche Bank Capital Funding LLC VII, 60 Wall Street, New York, New York 10005, and its telephone number is (212) 250-2428.

The location of the offices of the Property Trustee is 101 Barclay Street, Floor 21 West, New York, New York 10286. The location of the offices of the Delaware Trustee is 1011 Centre Road, Suite 200, Wilmington, Delaware 19805.

DEUTSCHE BANK CAPITAL FUNDING LLC VII

The Company is a limited liability company (Delaware Secretary of State file number 4065192) that was formed under the LLC Act on November 22, 2005 and pursuant to an initial limited liability company agreement, dated as of November 15, 2005 (as subsequently amended and restated on the Closing Date, the "LLC Agreement") and the filing of a certificate of formation of the Company with the Secretary of State of the State of Delaware. Pursuant to the LLC Agreement, the Company will issue two classes of preferred securities representing limited liability company interests in the Company, the Class A Preferred Security and the Class B Preferred Securities, and one class of common security representing limited liability company interests in the Company, the Company Common Security. The Property Trustee will initially hold 100% of the issued and outstanding Class B Preferred Securities. The Bank will initially hold the issued and outstanding Company Common Security and the Class A Preferred Security. For a complete description of the share capital of the Company, see "Description of the Company Securities".

Pursuant to Section 3 of the limited liability agreement of the Company dated November 15, 2005, the purpose of the Company is to engage in any lawful activity pursuant to the LLC Act. The sole purposes of the Company to be specified in Section 3.01 of the LLC Agreement are:

- to issue the Class A Preferred Security, the Class B Preferred Securities and the Company Common Security;
- to invest substantially all of the proceeds thereof in the Initial Obligation;
- upon any redemption of the Initial Obligation prior to the Maturity Date, which does not involve a redemption of the Class B Preferred Securities, to reinvest the proceeds in Substitute Obligations issued by the Bank or a majority-owned subsidiary that is consolidated with the Bank for German bank regulatory purposes in replacement for the Initial Obligation, so long as any such reinvestment does not result in a Company Special Redemption Event;
- in the event of any default on the Obligations, to enforce its rights for payment of any overdue amounts;
- after the Maturity Date, if the Class B Preferred Securities have not been redeemed, to invest in Permitted Investments;
- to enter into and, in certain circumstances, to enforce the Support Undertaking for the sole benefit of the holders of the Class B Preferred Securities; and
- to engage in those other activities necessary or advisable for the carrying out of the foregoing purposes.

The Company may also, from time to time and without the consent of the holders of the Class B Preferred Securities, issue additional Class B Preferred Securities having the same terms and conditions as the Class B Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Class B Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Class B Preferred Securities in consideration for Obligations of a principal amount equal to the aggregate liquidation preference amount of such additional Class B Preferred Securities.

For so long as the Class B Preferred Securities remain outstanding, the LLC Agreement provides that: (i) the Company will remain a limited liability company and, to the fullest extent permitted by law, will not voluntarily or involuntarily liquidate, dissolve, wind up or be terminated, except as permitted by the LLC Agreement; (ii) the Bank and the Company will use their commercially reasonable efforts to ensure that the Company will not be an association or a publicly traded partnership taxable as a corporation for United States federal income tax purposes; (iii) the Bank undertakes that the Bank or one or more other Qualified Subsidiaries of the Bank will maintain sole ownership of the Company Common Security and the Class A Preferred Security, and the Bank or a Qualified Subsidiary may transfer the Company Common Security or the Class A Preferred Security only to the Bank or other Qualified Subsidiaries, *provided* that prior to such transfer it has received an opinion of a nationally recognized law firm experienced in such matters to the effect that: (A) the Company will continue to be treated as a partnership, and not as an association or publicly traded partnership taxable as a corporation, for

United States federal income tax purposes, (B) such transfer will not cause the Company to be required to register under the 1940 Act, and (C) such transfer will not adversely affect the limited liability of the holders of the Class B Preferred Securities.

The rights of the holders of the Class B Preferred Securities, including economic rights, rights to information and voting rights, are set forth in the LLC Agreement and the LLC Act. See "Description of the Company Securities – Class B Preferred Securities".

The Company's business and affairs will be conducted by its Board of Directors, which initially will consist of four members, elected by the Bank as initial holder of the Company Common Security. However, in the event that:

- the Company fails to pay Capital Payments (including Additional Amounts thereon, if any) at the Stated Rate in full for two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any Payment Periods beginning after the Initial Redemption Date, for four consecutive Payment Periods); or
- a holder of the Class B Preferred Securities has notified the Company that the Bank has failed to perform any obligation under the Support Undertaking and such failure continues for 60 days after such notice is given,

then the holders of the Class B Preferred Securities will have the right to appoint the Independent Enforcement Director. The Independent Enforcement Director's term will end if, in such Independent Enforcement Director's sole determination Capital Payments (plus Additional Amounts, if any) have been made on the Class B Preferred Securities at the Stated Rate in full for at least two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any Payment Periods beginning after the Initial Redemption Date, for four consecutive Payment Periods) and the Bank is in compliance with its obligations under the Support Undertaking.

After the Maturity Date, if the Class B Preferred Securities have not been redeemed, the Company will invest in Permitted Investments. The Company will select for purchase Permitted Investments in the following order of priority and within each category on terms that are the best available in relation to providing funds for the payment of Capital Payments, any Additional Amounts and the Redemption Price of the Class B Preferred Securities:

- first, debt obligations of the Bank or one or more majority-owned subsidiaries of the Bank, unconditionally guaranteed by the Bank (which may act through any of its subsidiaries) on a subordinated basis that ranks at least *pari passu* with the Initial Obligation; or
- second, in the event such an investment is not available, in United States Treasury securities.

The Company will also enter into the Services Agreement with the Trust and the Bank or a majority owned affiliate of the Bank, under which the Bank or a majority owned affiliate of the Bank will be obligated, among other things, to provide legal, accounting, tax and other general support services to the Company and the Trust, to maintain compliance with all applicable U.S. and German local, state and federal laws, and to provide administrative, recordkeeping and secretarial services for the Company and the Trust. The fees and expenses of the Trust and the Company, including any taxes, duties, assessments or governmental charges of whatever nature (other than Withholding Taxes) imposed by Germany, the United States or any other taxing authority upon the Company or the Trust, and all other obligations of the Company and the Trust (other than with respect to the Trust Securities or the Company Securities) will be paid by the Bank pursuant to the Services Agreement. See "Description of the Services Agreement".

The holders of the Class B Preferred Securities are third-party beneficiaries of the Support Undertaking between the Bank and the Company. See "Description of the Support Undertaking." The Company complies with any corporate governance requirements of the State of Delaware applicable to it.

The initial directors the Company are expected to be John Cipriani, Richard W. Ferguson, Jean Devlin and Joseph Rice. The initial officers of the Company are expected to be Richard W. Ferguson, as President, John Cipriani, as Vice President and Treasurer, Jean O'Callaghan, Joseph Rice and Helmut Mannhardt as Vice Presidents, Sonja K. Olsen as Secretary and Sandra L. West and James O. Wilhelm as Assistant Secretary. The address of all directors and officers of the Company will be the principal executive office of the Company, Deutsche Bank Capital Funding LLC VII, 60 Wall Street, New York, New York 10005, and its telephone number is (212) 250-2428.

USE OF PROCEEDS

All the proceeds from the sale of the Trust Securities will be invested by the Trust in the Class B Preferred Securities. The Company will use substantially all of the funds from the sale of the Class B Preferred Securities to make an investment in the Initial Obligation. The Bank intends to use the proceeds from the sale of the Initial Obligation for general corporate purposes, and the Bank expects to treat the Class B Preferred Securities as Tier 1 Regulatory Capital. The Bank will pay certain commissions to the Initial Purchasers (one of which is an affiliate of the Bank) and reimburse the Initial Purchasers for certain expenses in connection with the Offering. The net proceeds to the Bank, net of commission to the Initial Purchasers, can be deemed to be $ 792,000,000.

DISTRIBUTABLE PROFITS OF THE BANK

The Company's authority to pay Capital Payments on the Class B Preferred Securities for any Payment Period depends, among other things, on the Distributable Profits of the Bank for the preceding fiscal year. For the definition of Distributable Profits, see "The Offering – Terms of the Trust Preferred Securities, the Class A Preferred Security and the Class B Preferred Securities – Capital Payments". Distributable Profits are determined on the basis of the Bank's audited unconsolidated financial statements prepared in accordance with accounting principles generally accepted in the Federal Republic of Germany as described in the German Commercial Code *(Handelsgesetzbuch)* and other applicable German law then in effect. The German Commercial Code differs in certain respects from U.S. GAAP, in accordance with which the Bank prepares its consolidated financial statements.

Distributable Profits in respect of any fiscal year includes, in addition to annual profit, transfers made by the Bank, in its discretion, of amounts carried on its balance sheet as Other Revenue Reserves. In addition, in determining Distributable Profits for any fiscal year, the amounts shown below as Capital Reserves and Statutory Revenue Reserves Available to Offset an Annual Loss may be transferred in the Bank's discretion to offset any losses, which may be incurred by the Bank.

The following table sets forth, as of the end of the years indicated, certain items derived from the Bank's audited unconsolidated balance sheet that relate to the foregoing discussion:

	2004	2003	2002
		(€ in millions)	
Annual profits after allocations to other revenue reserves	925	873	808
Other revenue reserves	2,472	5,598	6,518
	3,397	6,471	7,326
Capital reserves and statutory revenue reserves available to offset an annual loss	11,172	11,075	10,973
	14,569	17,546	18,299

The Bank paid total dividends on its ordinary shares of € 868 million, € 873 million and € 808 million in respect of 2004, 2003 and 2002, respectively.

DESCRIPTION OF THE TRUST SECURITIES

The Trust Securities will be issued pursuant to the terms of the Trust Agreement. The following summary sets forth the material terms and provisions of the Trust Securities. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Trust Agreement and the Trust Act.

General

The Trust Preferred Securities will be issued in fully registered form without coupons. The Trust Preferred Securities will not be issued in bearer form. See "- Form, Book-Entry Procedures and Transfer".

The Trust Agreement authorizes the Regular Trustees of the Trust to issue the Trust Preferred Securities, which represent undivided beneficial ownership interests in the assets of the Trust. Title to the Class B Preferred Securities will be held by the Property Trustee for the benefit of the holders and beneficial owners of the Trust Preferred Securities. The Trust Agreement does not permit the Trust to acquire any assets other than the Class B Preferred Securities, issue any securities other than the Trust Preferred Securities and the Trust Common Security or incur any indebtedness provided that, as the Company may, from time to time and without the consent of the Trust as the holder of the Class B Preferred Securities, issue additional Class B Preferred Securities having substantially the same terms as the Class B Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Class B Preferred Securities, the issue price, and any other deviations required for compliance with applicable law), so as to form a single series with the Class B Preferred Securities, the Trust, accordingly, may, from time to time and without the consent of the holders of the Trust Preferred Securities, issue additional Trust Preferred Securities having the same terms and conditions as the Trust Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Trust Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Trust Preferred Securities in consideration for the receipt of additional Class B Preferred Securities equal to the aggregate liquidation preference amount of such additional Trust Preferred Securities.

Capital Payments

Capital Payments will accrue on the Liquidation Preference Amount (i) for each Payment Period ending prior to the Reset Date, at the Fixed Rate and be payable semi-annually in arrears on each Fixed Rate Payment Date and (ii) for each Payment Period commencing on or after the Reset Date, at the Floating Rate and be payable quarterly in arrears on each Floating Rate Payment Date. For each Payment Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30-day months. For each Payment Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year. Capital Payments will be noncumulative.

If any Payment Date or Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Payment Date or Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Payment Date or Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Payment Date or Redemption Date shall be the immediately preceding Business Day.

Capital Payments on the Trust Preferred Securities are expected to be paid out of Capital Payments received by the Trust from the Company with respect to the Class B Preferred Securities. Capital Payments on the Class B Preferred Securities are expected to be paid by the Company out of its Operating Profits or from payments received by the Company under the Support Undertaking. See "Description of the Company Securities – Class B Preferred Securities – Capital Payments". If the Company does not declare (and is not deemed to have declared) a Capital Payment on the Class B Preferred

Securities in respect of any Payment Period, the holders of the Class B Preferred Securities will have no right to receive a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, and the Company will have no obligation to pay a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, whether or not Capital Payments are declared (or deemed to have been declared) and paid on the Class B Preferred Securities in respect of any future Payment Period. In such a case, no Capital Payments will be made on the Trust Preferred Securities in respect of such Payment Period.

Each Capital Payment on the Trust Preferred Securities will be payable to the holders of record of the Trust Preferred Securities as they appear on the books and records of the Trust at the close of business on the corresponding record date. The record dates for the Trust Preferred Securities will be (i) so long as the Trust Preferred Securities remain in book-entry form, at the end of the Business Day immediately preceding the date on which the relevant Capital Payment will be paid, and (ii) in all other cases, 15 Business Days prior to the relevant Payment Date.

Such Capital Payments will be paid through or by the order of the Property Trustee who will hold amounts received in respect of the Class B Preferred Securities in the Property Account for the benefit of the holders of the Trust Preferred Securities, subject to any applicable laws and regulations and the provisions of the Trust Agreement. Each payment will be made as described in "– Form, Book-Entry Procedures and Transfer".

The right of the holders of the Trust Preferred Securities to receive Capital Payments is noncumulative. Accordingly, if the Trust does not have funds available for payment of a Capital Payment in respect of any Payment Period, the holders will have no right to receive a Capital Payment in respect of such Payment Period, and the Trust will have no obligation to pay a Capital Payment in respect of such Payment Period, whether or not Capital Payments are paid in respect of any future Payment Period.

Except as described under "- Subordination of the Trust Common Security" below, all Capital Payments and other payments to holders of the Trust Securities will be distributed among holders of record *pro rata,* based on the proportion that the aggregate Liquidation Preference Amount of the Trust Preferred Securities held by each holder bears to the aggregate Liquidation Preference Amount of all Trust Preferred Securities.

Any claims to Capital Payments or amounts payable upon redemption will become void unless presented for payment within a period of four years, with respect to Capital Payments, or ten years with respect to amounts payable upon redemption, from the Payment Date or Redemption Date, as applicable.

Payments of Additional Amounts

All payments on the Trust Preferred Securities by the Trust, and any amount payable in liquidation or upon redemption thereof, will be made without withholding or deduction for or on account of Withholding Taxes unless such deduction or withholding is required by law. In such event, the Trust will pay, as additional Capital Payments, such Additional Amounts as may be necessary in order that the net amounts received by the holders of the Trust Preferred Securities, after such deduction or withholding for or on account of Withholding Taxes, will equal the amounts that otherwise would have been received in respect of the Trust Preferred Securities had no such deduction or withholding been required. However, no such Additional Amounts will be payable in respect of the Trust Preferred Securities:

- if and to the extent that the Company is unable to pay corresponding amounts in respect of the Class B Preferred Securities because such payment would exceed the Distributable Profits of the Bank for the preceding fiscal year (after subtracting from such Distributable Profits the amount of the Capital Payments on the Class B Preferred Securities and dividends or other distributions or payments on Preferred Tier 1 Securities, if any, already paid on the basis of such Distributable Profits on or prior to the date on which such Additional Amounts will be payable);

- with respect to any Withholding Taxes that are payable by reason of a holder or beneficial owner of the Trust Preferred Securities having some connection with any Relevant Jurisdiction other than by reason only of the mere holding of the Trust Preferred Securities;
- with respect to any Withholding Taxes which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest or similar income, or (ii) any international treaty or understanding relating to such taxation and to which the United States, the European Union or Germany is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or
- to the extent such deduction or withholding can be avoided or reduced if the holder or beneficial owner of the Trust Preferred Securities makes a declaration of non-residence or other similar claim for exemption to the relevant tax authority or complies with any reasonable certification, documentation, information or other reporting requirement imposed by the relevant tax authority; provided, however, that the exclusion set forth in this clause shall not apply in respect of any certification, information, documentation or other reporting requirement if such requirement would be materially more onerous, in form, in procedure or in the substance of information disclosed, to the holder or beneficial owner of Trust Preferred Securities than comparable information or other reporting requirements imposed under U.S. tax law, regulation and administrative practice (such as IRS Forms 1001, W-8 and W-9).

Enforcement Events

The occurrence, at any time, of either of the following (each of which is defined as an "Enforcement Event"):

- non-payment of Capital Payments (plus any Additional Amounts thereon, if any) on the Trust Preferred Securities or the Class B Preferred Securities at the Stated Rate in full, for two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any consecutive Payment Periods beginning on or after the Initial Redemption Date, for four consecutive Payment Periods); or
- a default by the Bank in respect of any of its obligations under the Support Undertaking;

will constitute an Enforcement Event under the Trust Agreement with respect to the Trust Securities; *provided,* that, pursuant to the Trust Agreement, the holder of the Trust Common Security will be deemed to have waived any Enforcement Event with respect to the Trust Common Security until all Enforcement Events with respect to the Trust Preferred Securities have been cured, waived or otherwise eliminated. Until such Enforcement Events with respect to the Trust Preferred Securities have been so cured, waived or otherwise eliminated, the Property Trustee will be deemed to be acting solely on behalf of the holders of the Trust Preferred Securities and only the holders of the Trust Preferred Securities will have the right to direct the Property Trustee with respect to certain matters under the Trust Agreement. In the case of non-payment of Capital Payments (plus any Additional Amounts thereon, if any) on the Class B Preferred Securities referred to above or the continuation of a failure by the Bank to perform any obligation under the Support Undertaking for a period of 60 days after notice thereof has been given to the Company by the Property Trustee or any holder of the Class B Preferred Securities, holders of the Trust Preferred Securities will have the right to appoint the Independent Enforcement Director. See "Description of the Company Securities – Class B Preferred Securities – Voting and Enforcement Rights".

Upon the occurrence of an Enforcement Event, the Property Trustee will have the right to enforce the rights of the holders of the Class B Preferred Securities, including:

- claims to receive Capital Payments (only if and to the extent declared or deemed to have been declared) on the Class B Preferred Securities;
- appointment of the Independent Enforcement Director (to the extent that such Enforcement Event results from non-payment of Capital Payments on the Class B Preferred Securities for two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the

Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any consecutive Payment Periods beginning on or after the Initial Redemption Date, for four consecutive Payment Periods) or the continuation of a failure by the Bank to perform any obligation under the Support Undertaking for a period of 60 days after notice thereof has been given to the Company by the Property Trustee or any holder of the Class B Preferred Securities); and

- assertion of the rights under the Support Undertaking as it relates thereto.

If the Property Trustee fails to enforce its rights under the Class B Preferred Securities after a holder of the Trust Preferred Securities has made a written request, such holder of record of the Trust Preferred Securities may directly institute a legal proceeding against the Company to enforce the Property Trustee's rights under the Class B Preferred Securities without first instituting any legal proceeding against the Property Trustee, the Trust or any other person or entity.

Redemption

Upon redemption of the Class B Preferred Securities, the Trust must apply the redemption price received in connection therewith to redeem the Trust Preferred Securities. The Class B Preferred Securities are redeemable at the option of the Company, in whole but not in part, on any Payment Date falling on or after the Initial Redemption Date at the Redemption Price plus Additional Amounts, if any. The Company may exercise its right to redeem the Class B Preferred Securities only if it has:

- given at least 30 days' prior notice (or such longer period as required by the relevant regulatory authorities) to the holders of the Class B Preferred Securities of its intention to redeem the Class B Preferred Securities on the Redemption Date; and
- obtained any required regulatory approvals.

The Trust Agreement will provide that the Property Trustee will promptly give notice to the holders of the Trust Preferred Securities of the Company's intention to redeem the Class B Preferred Securities on the Redemption Date. Any such notice will be in accordance with the procedures described below under "- Notices."

The Company will also have a right, at any time prior to the Initial Redemption Date upon at least 30 days' prior notice, to redeem the Class B Preferred Securities in whole but not in part, upon the occurrence of a Company Special Redemption Event at the Early Redemption Price plus Additional Amounts, if any.

In the event the Trust Preferred Securities are in definitive form, any payment due upon redemption thereof will be in accordance with the procedures described under "- Form, Book-Entry Procedures and Transfer."

The Class B Preferred Securities and the Trust Preferred Securities will not have any scheduled maturity date and will not be redeemable at any time at the option of the holders thereof. Upon any redemption of the Class B Preferred Securities, the proceeds of such redemption will simultaneously be applied to redeem the Trust Preferred Securities. Any Class B Preferred Securities or Trust Preferred Securities that are redeemed will be canceled, and not reissued, following their redemption.

Upon the occurrence of a Trust Special Redemption Event or in the event of any voluntary or involuntary liquidation, dissolution, winding up or termination of the Trust, holders of the Trust Securities, will be entitled to receive a pro rata amount of the Class B Preferred Securities in accordance with the terms of the Trust Agreement.

If, at any time, a Trust Special Redemption Event occurs and is continuing, the Regular Trustees will, within 90 days following the occurrence of such Trust Special Redemption Event, dissolve the Trust upon at least 30 but not more than 60 days' notice to the holders of the Trust Preferred Securities in accordance with the procedures described below under "– Notices" and upon at least 30 but not more than 60 days' notice to, and consultation with, DTC and the Property Trustee. After satisfaction of the claims of creditors of the Trust, if any, Class B Preferred Securities would be distributed on a

pro rata basis to the holders of the Trust Preferred Securities and the holder of the Trust Common Security in liquidation of such holders' interest in the Trust, *provided, however,* that, if, at such time, the Trust has the opportunity to eliminate, within 90 days of its occurrence, the Trust Special Redemption Event by taking some ministerial action, such as filing a form or making an election, or some other similar reasonable measures, which in the sole judgment of the Bank will cause no adverse effect on the Company, the Trust, the Bank or the holders of the Trust Preferred Securities and will involve no material costs, then the Trust will pursue any such measure in lieu of dissolution.

On the date fixed for any distribution of the Class B Preferred Securities, upon dissolution of the Trust, (i) the Trust Preferred Securities will no longer be deemed to be outstanding and (ii) certificates representing Trust Preferred Securities will be deemed to represent the Class B Preferred Securities having a liquidation preference amount equal to the Liquidation Preference Amount of the Trust Preferred Securities and the liquidation amount of the Trust Common Security until such certificates are presented to the Company or its agent for exchange.

If the Class B Preferred Securities are distributed to the holders of the Trust Preferred Securities, the Bank will use its commercially reasonable efforts to cause the Class B Preferred Securities (i) to be eligible for clearing and settlement through DTC or a successor clearing agent.

Redemption Procedures

On the date specified for redemption of any Trust Preferred Securities in a notice of redemption issued by the Trust in respect of any Trust Securities (which notice will be irrevocable and given at least 30 calendar days prior to the Redemption Date), if the Company has paid to the Property Trustee a sufficient amount of cash in connection with the related redemption of the Class B Preferred Securities, then, by 9:00 a. m., New York City time, on the date specified for redemption, the Trust will irrevocably deposit with the Paying Agent funds sufficient to pay the amount payable on redemption of the Trust Preferred Securities called for redemption. If notice of redemption shall have been given and funds are deposited as required, then upon the date of such deposit, all rights of holders of such Trust Securities so called for redemption will cease, except the right of the holders of such Trust Preferred Securities to receive the redemption price, but without interest on such redemption price.

If any Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Redemption Date shall be the immediately preceding Business Day.

Purchases of the Trust Preferred Securities

Subject to the foregoing redemption provisions and procedures and applicable law (including, without limitation, U. S. federal securities laws), the Bank or its subsidiaries may at any time and from time to time purchase outstanding Trust Preferred Securities by tender, in the secondary market or by private agreement. Such Trust Preferred Securities remain outstanding and may be resold. If the Bank or any of its affiliates offer or sell, or make a secondary market in, the Trust Preferred Securities, such actions may give rise to limitations with respect to resales in the United States or to U. S. persons of trust preferred securities previously sold in offshore transactions in reliance on Regulation S.

Subordination of the Trust Common Security

Payment of Capital Payments and other distributions on, and amounts on redemption of, the Trust Securities will generally be made *pro rata* based on the liquidation preference amount of the Trust Securities. However, upon the liquidation of the Trust and during the continuance of a default under the Obligations or a failure by the Bank to perform any obligation under the Support Undertaking,

holders of the Trust Preferred Securities will have a preference over the holder of the Trust Common Security with respect to payments of Capital Payments and other distributions and amounts upon redemption or liquidation of the Trust. The Trust Preferred Securities constitute direct, unsecured and unsubordinated securities of the Trust and rank *pari passu* without any preference among themselves.

In the case of any Enforcement Event, the holder of the Trust Common Security will be deemed to have waived any such Enforcement Event until all such Enforcement Events with respect to the Trust Preferred Securities have been cured, waived or otherwise eliminated. Until all Enforcement Events with respect to the Trust Preferred Securities have been so cured, waived or otherwise eliminated, the Property Trustee will act solely on behalf of the holders of the Trust Preferred Securities and not on behalf of the holder of the Trust Common Security, and only the holders of the Trust Preferred Securities will have the right to direct the Property Trustee to act on their behalf.

Liquidation Distribution upon Dissolution

Pursuant to the Trust Agreement, the Trust will dissolve:

- upon the bankruptcy, insolvency or dissolution of the Bank;
- upon the dissolution of the Company or the consent of at least a majority of the outstanding Trust Securities, voting together as a single class, to dissolve the Trust;
- when all of the Trust Securities shall have been called for redemption and (i) the amounts necessary for redemption thereof shall have been paid to the holders of the Trust Securities or (ii) all of the Class B Preferred Securities shall have been distributed to the holders of the Trust Securities in exchange for all of the Trust Securities;
- upon the distribution of all of the Class B Preferred Securities upon the occurrence of a Trust Special Redemption Event;
- upon the entry of a decree of a judicial dissolution of the Company or the Trust; or
- upon the redemption of all of the Trust Securities.

In the event of any voluntary or involuntary liquidation, dissolution, winding up or termination of the Trust, the holders of the Trust Securities will be entitled to receive the Class B Preferred Securities. The holders of the Trust Preferred Securities will have a preference over the holder of the Trust Common Security with respect to distributions upon liquidation of the Trust.

Voting Rights

Except as expressly required by applicable law, or except as provided for in the Trust Agreement, the holders of the Trust Preferred Securities will not be entitled to vote on the affairs of the Trust or the Company. So long as the Trust holds any Class B Preferred Securities, the holders of the Trust Preferred Securities will have the right to direct the Property Trustee to enforce the voting rights attributable to such Class B Preferred Securities. These voting rights may be waived by the holders of the Trust Preferred Securities by written notice to the Property Trustee and in accordance with applicable laws.

Subject to the requirement of the Property Trustee obtaining a tax opinion as set forth in the last sentence of this paragraph, the holders of a majority of the outstanding Trust Preferred Securities have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Property Trustee, and to direct the exercise of any trust or power conferred upon the Property Trustee under the Trust Agreement, including the right to direct the Property Trustee, as holder of the Class B Preferred Securities, to (i) exercise the remedies available to it under the LLC Agreement as a holder of the Class B Preferred Securities, and (ii) consent to any amendment, modification or termination of the LLC Agreement or the Class B Preferred Securities where such consent will be required; *provided, however,* that, where a consent or action under the LLC Agreement would require the consent or act of the holders of more than a majority of the Class B Preferred Securities affected thereby,

only the holders of the percentage of the aggregate number of the Trust Securities outstanding which is at least equal to the percentage of the Class B Preferred Securities required to so consent or act under the LLC Agreement, may direct the Property Trustee to give such consent or take such action on behalf of the Trust. See "Description of the Company Securities – Class B Preferred Securities – Voting and Enforcement Rights." Except with respect to directing the time, method and place of conducting a proceeding for a remedy as described above, the Property Trustee will be under no obligation to take any of the actions described in clause (i) or (ii) above unless the Property Trustee has obtained an opinion of independent tax counsel to the effect that as a result of such action, the Trust will not fail to be classified as a grantor trust for U.S. federal income tax purposes and that after such action each holder of the Trust Securities will continue to be treated as owning an undivided beneficial ownership interest in the Class B Preferred Securities.

Any required approval or direction of holders of the Trust Preferred Securities may be given at a separate meeting of holders of the Trust Preferred Securities convened for such purpose, at a meeting of all of the holders of the Trust Securities or pursuant to a written consent. The Regular Trustees will cause a notice of any meeting at which holders of the Trust Preferred Securities are entitled to vote, or of any matter upon which action by written consent of such holders is to be taken, to be made in the manner described below under "- Notices". Each such notice will include a statement setting forth the following information: (i) the date of such meeting or the date by which such action is to be taken; (ii) a description of any resolution proposed for adoption at such meeting on which such holders are entitled to vote or of such matter upon which written consent is sought; and (iii) instructions for the delivery of proxies or consents. No vote or consent of the holders of the Trust Preferred Securities will be required for the Trust to redeem and cancel Trust Preferred Securities or distribute Class B Preferred Securities in accordance with the Trust Agreement.

Notwithstanding that holders of the Trust Preferred Securities are entitled to vote or consent under any of the circumstances described above, any of the Trust Preferred Securities that are beneficially owned at such time by the Bank or any entity directly or indirectly controlled by, or under direct or indirect common control with, the Bank, will not be entitled to vote or consent and will, for purposes of such vote or consent, be treated as if such Trust Preferred Securities were not outstanding, except for the Trust Preferred Securities purchased or acquired by the Bank or its affiliates in connection with transactions effected by or for the account of customers of the Bank or any of its affiliates or in connection with trading or market-making activities in connection with such Trust Preferred Securities in the ordinary course of business; *provided, however,* that persons (other than affiliates of the Bank) to whom the Bank or any of its affiliates have pledged Trust Preferred Securities may vote or consent with respect to such pledged Trust Preferred Securities pursuant to the terms of such pledge.

The procedures by which holders of the Trust Preferred Securities represented by the Global Certificates may exercise their voting rights are described below. See "- Form, Book-Entry Procedures and Transfer".

Holders of the Trust Preferred Securities will have no rights to appoint or remove the Regular Trustees, who may be appointed, removed or replaced solely by the Bank, as the holder of the Trust Common Security.

Merger, Consolidation or Amalgamation of the Trust

The Trust may not consolidate, amalgamate, merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to, any corporation or other entity, except as described below. The Trust may, with the consent of a majority of the Regular Trustees and without the consent of the holders of the Trust Securities, the Property Trustee or the Delaware Trustee, consolidate, amalgamate, merge with or into, or be replaced by a trust organized as such under the laws of any State of the United States; *provided,* that:

- if the Trust is not the survivor, such successor entity either (x) expressly assumes all of the obligations of the Trust to the holders of the Trust Securities or (y) substitutes for the Trust Securities other securities having substantially the same terms as the Trust Securities (the "Successor Securities"), so long as the Successor Securities rank the same as the Trust Securities rank with respect to Capital Payments, distributions and rights upon liquidation, redemption or otherwise;

- the Company expressly acknowledges a trustee of such successor entity possessing the same powers and duties as the Property Trustee as the holder of the Class B Preferred Securities;
- if applicable, the Successor Trust Securities are listed, or any Successor Trust Securities will be listed upon notification of issuance, on any securities exchange or any other organization on which the Trust Preferred Securities are then listed or quoted;
- such merger, consolidation, amalgamation or replacement does not cause the Trust Preferred Securities (including the Successor Securities) to be downgraded by any nationally recognized rating organization;
- such merger, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the holders of the Trust Preferred Securities (including any Successor Securities) in any material respect;
- such successor entity has purposes substantially identical to that of the Trust;
- the obligations of the Bank pursuant to the Support Undertaking will continue in full force and effect; and
- prior to such merger, consolidation, amalgamation or replacement, the Bank has received an opinion of a nationally recognized law firm experienced in such matters to the effect that:
  - such merger, consolidation, amalgamation or replacement will not adversely affect the rights, preferences and privileges of the holders of the Trust Preferred Securities (including the Successor Securities) in any material respect,
  - following such merger, consolidation, amalgamation or replacement, neither the Trust nor such successor entity will be required to register under the 1940 Act,
  - following such merger, consolidation, amalgamation or replacement, the Trust (or such successor trust) will be classified as a grantor trust for U.S. federal income tax purposes and
  - following such merger, consolidation, amalgamation or replacement, the Company will not be classified as an association or a publicly traded partnership taxable as a corporation for United States federal income tax purposes.

Notwithstanding the foregoing, the Trust will not, except with the consent of holders of 100% of the outstanding Trust Preferred Securities (excluding Trust Preferred Securities held by the Bank and its affiliates), consolidate, amalgamate, merge with or into, or be replaced by any other entity or permit any other entity to consolidate, amalgamate, merge with or into, or replace it, if such consolidation, amalgamation, merger or replacement would cause the Trust or the successor entity not to be classified as a grantor trust for United States federal income tax purposes.

Modification of the Trust Agreement

The Trust Agreement may only be modified and amended if approved by a majority of the Regular Trustees (and in certain circumstances the Property Trustee and the Delaware Trustee), *provided,* that, if any proposed amendment provides for, or the Regular Trustees otherwise propose to effect, (i) any action that would materially adversely affect the powers, preferences or special rights of the Trust Securities, whether by way of amendment to the Trust Agreement or otherwise, or (ii) the dissolution, winding up or termination of the Trust other than pursuant to the terms of the Trust Agreement, then the holders of the Trust Securities voting together as a single class will be entitled to vote on such amendment or proposal and such amendment or proposal will not be effective except with the approval of at least a majority of the outstanding Trust Securities affected thereby; *provided further* that, if any amendment or proposal referred to in clause (i) above would adversely affect only the Trust Preferred Securities or the Trust Common Security, then only the affected class will be entitled to vote on such amendment or proposal and such amendment or proposal will not be effective except with the approval of a majority of such class of the Trust Securities outstanding.

The Trust Agreement may be amended without the consent of the holders of the Trust Securities to (i) cure any ambiguity, (ii) correct or supplement any provision in the Trust Agreement that may be defective or inconsistent with any other provision of the Trust Agreement, (iii) add to the covenants,

restrictions or obligations of the Bank, (iv) conform to any change in the 1940 Act or the rules or regulations thereunder, (v) modify, eliminate and add to any provision of the Trust Agreement to such extent as may be necessary or desirable; *provided,* that, no such amendment will have a material adverse effect on the rights, preferences or privileges of the holders of the Trust Securities, or (vi) accomplish the issuance, from time to time and without the consent of the holders of the Trust Preferred Securities, of additional Trust Preferred Securities having the same terms and conditions as the Trust Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Trust Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Trust Preferred Securities in consideration for the receipt of Class B Preferred Securities equal to the aggregate liquidation preference amount of such additional Trust Preferred Securities.

Notwithstanding the foregoing, no amendment or modification may be made to the Trust Agreement if such amendment or modification would (i) cause the Trust to fail to be classified as a grantor trust for United States federal income tax purposes, (ii) cause the Company to be classified as an association or publicly traded partnership taxable as a corporation for such purposes, (iii) reduce or otherwise adversely affect the powers of the Property Trustee or (iv) cause the Trust or the Company to be required to register under the 1940 Act.

Form, Book-Entry Procedures and Transfer

The Trust Preferred Securities will be issued in fully registered form, without coupons, in denominations of $ 1,000 Liquidation Preference Amount (or integral multiples of $ 1,000).

Trust Preferred Securities offered and sold to QIBs in reliance on Rule 144A initially will be represented by one or more certificates in registered, global form (collectively, the "Restricted Global Certificates"). Trust Preferred Securities offered and sold outside the United States in reliance on Regulation S under the Securities Act will be issued in the form of one or more temporary global certificates (the "Temporary Regulation S Global Certificates"). Beneficial interests in the Temporary Regulation S Global Certificates will be exchanged for beneficial interests in permanent global certificates (the "Permanent Regulation S Global Certificates" and, together with the Temporary Regulation S Global Certificates, the "Regulation S Global Certificates") on the 40th day after the later of the closing date and the completion of the distribution of the Trust Preferred Securities (the "Restricted Period").

The Restricted Global Certificates (together with the Regulation S Global Certificates, the "Global Certificates") will be deposited upon issuance with the custodian for DTC, in New York, New York and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below. Beneficial interests in the Restricted Global Certificates may not be exchanged for beneficial interests in the Regulation S Global Certificates at any time except in the limited circumstances described below. See "– Exchanges between Regulation S Global Certificates and Restricted Global Certificates".

Except as set forth below, the Global Certificates may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Certificates may not be exchanged for Trust Preferred Securities in certificated form except in the limited circumstances described below. See "– Exchange of Book-Entry Securities for Certificated Securities".

Trust Preferred Securities will be subject to certain restrictions on transfer and will bear restrictive legends as described under "Notice to Investors". In addition, transfer of beneficial interests in the Global Certificates will be subject to the applicable rules and procedures of DTC and its direct or indirect participants, which may change from time to time.

Depositary Procedures

DTC has advised the Company and the Trust that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the

clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants: The Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interest and transfer of ownership interest of each actual purchaser of each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised the Trust and the Company that, pursuant to procedures established by it, (i) upon deposit of the Global Certificates, DTC will credit the accounts of Participants designated by the Initial Purchasers with portions of the principal amount of the Global Certificates and (ii) ownership of such interests in the Global Certificates will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Certificates).

Investors in the Restricted Global Certificates must hold their interest therein directly through DTC if they are Participants in such system, or indirectly through organizations which are Participants in such system. Investors in the Regulation S Global Certificates must initially hold their interests therein through DTC, if they are Participants in such system, or indirectly through organizations which are Participants in such system. The laws of some states require that certain persons take physical delivery in certificated form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Certificate to such persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants and certain banks, the ability of a person having beneficial interests in a Global Certificate to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests. For certain other restrictions on the transferability of the Trust Preferred Securities, see "– Exchange of Book-Entry Securities for Certificated Securities" and "– Exchanges Between Regulation S Global Certificates and Restricted Global Certificates".

Except as described below, owners of interests in the Global Certificates will not have Trust Preferred Securities registered in their name, will not receive physical delivery of the Trust Preferred Securities in certificated form and will not be considered the registered owners or holders thereof for any purpose.

Payments in respect of the Global Certificates registered in the name of DTC or its nominee will be payable by Deutsche Bank Trust Company Americas as the paying agent (the "Paying Agent") to DTC in its capacity as the registered holder. The Paying Agent will treat the persons in whose names Trust Preferred Securities, including the Global Certificates, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, neither the Bank, the Trust, the Company, nor any agent thereof has or will have any responsibility or liability for (i) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interests in the Global Certificates, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Certificates or (ii) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants. DTC has advised the Trust and the Company that its current practice, upon receipt of any payment in respect of securities such as the Trust Preferred Securities, is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Payments by the Participants and the Indirect Participants to the beneficial owners of the Trust Preferred Securities will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Bank, the Trust or the Company. The Bank, the Trust, the Company and the Paying Agent may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Interests in the Global Certificates will trade in DTC's settlement system and secondary market trading activity in such interests will therefore settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants. Transfers between Participants in DTC will be effected in accordance with DTC's procedures and will be settled in same-day funds. DTC has advised the Company and the Trust that it will take any action permitted to be taken by a holder of the Trust Preferred Securities only at the direction of one or more Participants to whose account with DTC interests in the Global Certificates are credited.

The information contained herein concerning DTC and its book-entry system has been obtained from sources that the Company and the Trust believes to be reliable but neither the Company nor the Trust takes any responsibility for the accuracy thereof.

Although DTC has agreed to the foregoing procedures to facilitate transfers of interest in the Regulation S Global Certificates and in the Restricted Global Certificates among participants in DTC, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Company, the Trust nor the Bank will have any responsibility for the performance by DTC or its respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Book-Entry Securities for Certificated Securities

A Global Certificate is exchangeable for Trust Preferred Securities in registered certificated form if DTC notifies the Company that it is unwilling or unable to continue as depositary (a "Depositary") for the Global Certificates and the Trust and the Company thereupon fail to appoint a successor Depositary or it has ceased to be a clearing agency registered under the Exchange Act. In all cases, certificated Trust Preferred Securities delivered in exchange for any Global Certificates or beneficial interests therein will be registered in the names and issued in any approved denominations, requested by or on behalf of the Depositary (in accordance with its customary procedures) and will bear the restrictive legends referred to in "Notice to Investors".

Exchanges Between Regulation S Global Certificates and Restricted Global Certificates

During the Restricted Period, beneficial interests in Regulation S Global Certificates may be exchanged for beneficial interests in Restricted Global Certificates only if such exchange occurs in connection with a transfer of the Trust Preferred Securities pursuant to Rule 144A and the transferor first delivers to the registrar (the "Registrar") a written certificate to the effect that the Trust Preferred Securities are being transferred to a person who the transferor reasonably believes is a QIB within the meaning of Rule 144A under the Securities Act and is purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in the Restricted Global Certificates may be transferred to a person who takes delivery in the form of an interest in the Regulation S Global Certificates, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the Registrar a written certificate to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S.

Transfers involving an exchange of a beneficial interest in the Regulation S Global Certificates for a beneficial interest in the Restricted Global Certificates or vice versa will be affected in DTC by means of an instruction originated by the Registrar through the DTC Deposit/Withdraw at Custodian ("DWAC") system.

Any beneficial interest in one of the Global Certificates that is transferred to a person who takes delivery in the form of an interest in the other Global Certificates will, upon transfer, cease to be an interest in such Global Certificates and will become an interest in the other Global Certificates and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other Global Certificates for so long as it remains such an interest.

Certifications by Holders of the Temporary Regulation S Global Certificate

On or after the expiration of the Restricted Period, a certificate must be provided by or on behalf of a holder of a beneficial interest in a Temporary Regulation S Global Certificate to the Registrar (or the Paying Agent if other than the Registrar), certifying that the beneficial owner of the interest in such Temporary Regulation S Global Certificate is not a U.S. Person. Unless such certificate is provided, (i) the holder of such beneficial interest will not receive any payments of Capital Payments, redemption price or any other payment with respect to such holder's beneficial interest in the Temporary Regulation S Global Certificate, (ii) such beneficial interest may not be exchanged for a beneficial interest in a Permanent Regulation S Global Certificate, and (iii) settlement of trades with respect to such beneficial interest will be suspended. In the event that any holder of a beneficial interest in such Temporary Regulation S Global Certificate fails to provide such certification, exchanges of interests in the Temporary Regulation S Global Certificate for interests in the Permanent Regulation S Global Certificate and settlements of trades of all beneficial interests in such Temporary Regulation S Global Certificate may be temporarily suspended.

Registrar, Transfer Agent and Paying Agent

Deutsche Bank Trust Company Americas will act as Registrar, Transfer Agent and Paying Agent for the Trust Preferred Securities. Registration of transfers of the Trust Preferred Securities will be effected without charge by or on behalf of the Trust, but upon payment (with the giving of such indemnity as the Trust or the Bank may require) in respect of any tax or other government charges which may be imposed in relation to it.

The Trust will not be required to register or cause to be registered the transfer of the Trust Preferred Securities after such Trust Preferred Securities have been called for redemption.

Information Concerning the Property Trustee

The Property Trustee, prior to the occurrence of any Enforcement Event and after the curing or waiver of all Enforcement Events that may have occurred, undertakes to perform only such duties as are specifically set forth in the Trust Agreement and, after such default, will exercise the same degree of care as a prudent person would exercise in the conduct of his or her own affairs. Subject to such provisions, the Property Trustee is under no obligation to exercise any of the powers vested in it by the Trust Agreement at the request of any holder of the Trust Preferred Securities, unless offered reasonable indemnity by such holder against the costs, expenses and liabilities which might be incurred thereby. The holders of the Trust Preferred Securities will not be required to offer such indemnity in the event such holders, by exercising their rights, direct the Property Trustee to take any action following an Enforcement Event.

Governing Law

The Trust Agreement and the Trust Securities will be governed by, and construed in accordance with, the laws of the State of Delaware.

Miscellaneous

The Regular Trustees are authorized and directed to conduct the affairs of and to operate the Trust in such a way that the Trust will not be required to register under the 1940 Act and will not be characterized as other than a grantor trust for United States federal income tax purposes.

DESCRIPTION OF THE COMPANY SECURITIES

The following summary sets forth the material terms and provisions of the limited liability company interests of the Company, including the Class B Preferred Securities. This summary is qualified in its entirety by reference to the terms and provisions of the LLC Agreement.

Upon the execution of the LLC Agreement, the Company will issue limited liability company interests consisting of the Company Common Security, the Class A Preferred Security and Class B Preferred Securities. The Company Common Security and the Class A Preferred Security will be owned directly by the Bank. All of the Class B Preferred Securities will be owned by the Trust. The Bank undertakes to maintain direct or indirect ownership of the Class A Preferred Security and the Company Common Security so long as any Class B Preferred Securities remain outstanding.

Company Common Security

Subject to the rights of the holders of the Class B Preferred Securities to appoint the Independent Enforcement Director, all voting rights are vested in the Company Common Security. The Company Common Security is entitled to one vote per security. The Company Common Security is currently, and upon consummation of the Offering will be, held by the Bank.

Capital Payments may be declared and paid on the Company Common Security only if all Capital Payments on the Class B Preferred Securities, if any, in respect of the relevant Payment Period have been declared and paid. The Company does not expect to pay dividends on the Company Common Security.

In the event of the voluntary or involuntary liquidation, dissolution, termination or winding up of the Company, after the payment of all debts and liabilities and after there have been paid or set aside for the holders of all the Company Preferred Securities the full preferential amounts to which such holders are entitled, the holder of the Company Common Security will be entitled to share equally and *pro rata* in any remaining assets.

Class A Preferred Security

The Class A Preferred Security will be non-voting. Capital payments on the Class A Preferred Security will be payable when, as and if declared by the Board of Directors; such a declaration will occur only to the extent the Board of Directors does not declare Capital Payments on the Class B Preferred Securities at the Stated Rate in full on any Payment Date. It is expected that the holder of the Class A Preferred Security will receive capital payments only to the extent that (i) Capital Payments are not permitted to be declared on the Class B Preferred Securities on any Payment Date at the Stated Rate in full due to insufficient Distributable Profits of the Bank for the fiscal year preceding such Payment Period or an order of the BaFin (or any other relevant regulatory authority) prohibiting the Bank from making any distribution of profits, and (ii) the Company has sufficient Operating Profits. The Company currently, subject to the above, does not intend to pay capital payments on the Class A Preferred Security. The payment of capital payments on the Class A Preferred Security is not a condition to the payment of Capital Payments on the Class B Preferred Securities.

In the event of any voluntary or involuntary liquidation, dissolution or winding up or termination of the Company, the Class B Preferred Securities will rank junior to the Class A Preferred Security, and the Class B Preferred Securities will rank senior to the Company Common Security; *provided* that any payments made by the Bank pursuant to the Support Undertaking will be payable by the Company solely to the holders of the Class B Preferred Securities. Accordingly, upon any liquidation, the holder of the Class A Preferred Security will be entitled to receive a liquidation distribution of the Obligations or Permitted Investments (including accrued and unpaid interest thereon). In the event of the liquidation of the Company, the Independent Enforcement Director will enforce the Support Undertaking solely for the benefit of the holders of the Class B Preferred Securities and, with respect to the Company's rights under the Support Undertaking, the Class B Preferred Securities will rank senior to the Class A Preferred Security and payments thereunder will be distributed by the Company solely to the

holders of the Class B Preferred Securities. For a description of the circumstances under which an Independent Enforcement Director may be elected, see " – Class B Preferred Securities – Voting and Enforcement Rights."

Class B Preferred Securities

General

When issued, the Class B Preferred Securities will be validly issued, fully paid and non-assessable. The holders of the Class B Preferred Securities will have no pre-emptive rights with respect to any other securities of the Company. The Class B Preferred Securities will not have any scheduled maturity date, will not be redeemable at any time at the option of the holders thereof, will not be convertible into any other securities of the Company and will not be subject to any sinking fund or other obligation of the Company for their repurchase or redemption. The LLC Agreement prohibits the Company, without the consent of all holders of the Class B Preferred Securities (excluding any Class B Preferred Securities held by the Bank or any of its affiliates), from issuing any debt securities or any further class or series of equity securities ranking prior to or *pari passu* with the Class B Preferred Securities as to periodic distribution rights or rights upon liquidation or dissolution of the Company, provided, however, that the Company may, from time to time and without the consent of the holders of the Class B Preferred Securities, issue additional Class B Preferred Securities having the same terms and conditions as the Class B Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Class B Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Class B Preferred Securities in consideration for Obligations of a principal amount equal to the aggregate liquidation preference amount of such additional Class B Preferred Securities.

Capital Payments

Capital Payments will accrue on the liquidation preference amount of $ 1,000 per Class B Preferred Security (i) for each Payment Period ending prior to the Reset Date, at the Fixed Rate and be payable semi-annually in arrears on each Fixed Rate Payment Date and (ii) for each Payment Period commencing on or after the Reset Date, at the Floating Rate and be payable quarterly in arrears on each Floating Rate Payment Date. For each Payment Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30-day months. For each Payment Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year. Capital Payments will be noncumulative.

If any Payment Date or Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Payment Date or Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Payment Date or Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Payment Date or Redemption Date shall be the immediately preceding Business Day.

Capital Payments on the Class B Preferred Securities will be paid out of the Company's Operating Profits or from payments received by the Company under the Support Undertaking. If the Company does not declare (and is not deemed to have declared) a Capital Payment on the Class B Preferred Securities in respect of any Payment Period, the holders of the Class B Preferred Securities will have no right to receive a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, and the Company will have no obligation to pay a Capital Payment on the Class B Preferred Securities in respect of such Payment Period, whether or not Capital Payments are declared (or deemed to have been declared) and paid on the Class B Preferred Securities in respect of any future Payment Period.

Capital Payments on the Class B Preferred Securities will only be authorized to be declared and paid on any Payment Date to the extent that:

- the Company has an amount of Operating Profits for the Payment Period ending on the day immediately preceding such Payment Date at least equal to the amount of such Capital Payments, and
- the Bank has an amount of Distributable Profits for the preceding fiscal year for which audited financial statements are available at least equal to the aggregate amount of such Capital Payments on the Class B Preferred Securities and capital payments or dividends on Preferred Tier 1 Securities, if any, *pro rata* on the basis of Distributable Profits for such preceding fiscal year.

Notwithstanding the foregoing, if the Bank or any of its subsidiaries declares or pays any dividends or makes any other payment or other distribution on any Preferred Tier 1 Securities in any fiscal year, the Company will be deemed to have declared Capital Payments on the Class B Preferred Securities on the first Payment Date falling contemporaneously with or immediately after the date on which such dividend was declared or other payment or distribution was made. If the dividend or other payment or distribution on Preferred Tier 1 Securities was in the full stated amount payable on such Preferred Tier 1 Securities in the then current fiscal year through the Payment Date, Capital Payments will be deemed declared at the Stated Rate in full for the then current fiscal year through such Payment Date. If the dividend or other payment or distribution on Preferred Tier 1 Securities was only a partial payment of the amount so owing, the amount of the Capital Payment deemed declared on the Class B Preferred Securities will be adjusted proportionally.

Further, notwithstanding the foregoing, if the Bank or any of its subsidiaries declares or pays any dividend or makes any other payment or distribution on its Junior Securities (other than payments on Junior Securities issued by wholly owned subsidiaries of the Bank, when such Junior Securities are held exclusively by the Bank or by any of its other wholly owned subsidiaries), the Company will be deemed to have declared Capital Payments on the Class B Preferred Securities at the Stated Rate in full:

(i) for payment on the first two Payment Dates (or, in the case of the Payment Date falling on the Reset Date, the Reset Date and the two succeeding Payment Dates and, in the case of Payment Dates falling after the Reset Date, the first four Payment Dates) falling contemporaneously with and/or immediately following the date on which such dividend was declared or other payment made, if such Junior Securities pay dividends annually,

(ii) for payment on the first Payment Date (or, in the case of Payment Dates falling after the Reset Date, the first two Payment Dates) falling contemporaneously with and/or immediately following the date on which such dividend was declared or other payment made, if such Junior Securities pay dividends semi-annually, or

(iii) for payment on the first Payment Date falling contemporaneously with or immediately following the date on which such dividend was declared or other payment made, if such Junior Securities pay dividends quarterly.

If the Bank or any of its Subsidiaries redeems, repurchases or otherwise acquires any Preferred Tier 1 Securities or Junior Securities (other than Preferred Tier 1 Securities or Junior Securities issued by wholly-owned subsidiaries of the Bank, when such Preferred Tier 1 Securities or Junior Securities are held exclusively by the Bank or any of the Bank's wholly-owned subsidiaries) for any consideration except by conversion into or exchange for common stock of the Bank other than:

- in connection with transactions effected by or for the account of customers of the Bank or any of its subsidiaries or in connection with the distribution, trading or market-making in respect of such securities,
- in connection with the satisfaction by the Bank or any of its subsidiaries of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants,
- as a result of a reclassification of the capital stock of the Bank or any of its subsidiaries or the exchange or conversion of one class or series of such capital stock for another class or series of such capital stock or
- the purchase of fractional interests in shares of the capital stock of the Bank or any of its majority-owned subsidiaries pursuant to the provisions of any security being converted into or exchanged for such capital stock),

the Company will be deemed to have declared Capital Payments on the Class B Preferred Securities at the Stated Rate in full for payment on the first two Payment Dates (or, in the case of Payment Dates falling on the Reset Date, such Payment Date and the next two succeeding Payment Dates and, in the case of Payment Dates falling after the Reset Date, the first four Payment Dates) falling contemporaneously with and/or immediately following the date on which such redemption, repurchase or other acquisition occurred.

Despite sufficient Operating Profits of the Company and sufficient Distributable Profits of the Bank, the Company will not be permitted to make Capital Payments on the Class B Preferred Securities on any Payment Date (or a date set for redemption or liquidation) if on such date there is in effect an order of the BaFin (or any other relevant regulatory authority) prohibiting the Bank from making any distribution of profits.

The Company will have no obligation to make up, at any time, any Capital Payments not paid in full by the Company as a result of insufficient Operating Profits of the Company, insufficient Distributable Profits of the Bank or an order of the BaFin.

In determining the availability of sufficient Distributable Profits of the Bank related to any fiscal year to permit Capital Payments to be declared with respect to the Class B Preferred Securities, any Capital Payments already paid on the Class B Preferred Securities and any capital payments or dividends already paid during the succeeding fiscal year of the Bank on Preferred Tier 1 Securities, if any, on the basis of such Distributable Profits for such fiscal year will be deducted from such Distributable Profits.

Each Capital Payment declared (or deemed to be declared) on the Class B Preferred Securities will be payable to the holders of record as they appear on the securities register of the Company at the close of business on the corresponding record date. The record dates for the Class B Preferred Securities will be:

- for those Class B Preferred Securities held by the Property Trustee, so long as the Trust Preferred Securities remain in book-entry form, and for Class B Preferred Securities held in book-entry form, at the end of the Business Day immediately preceding the date on which the relevant Capital Payment will be paid, and
- in all other cases, 15 Business Days prior to the relevant Payment Date.

Payments of Additional Amounts

All payments on the Class B Preferred Securities, and any amount payable in liquidation or upon redemption thereof, will be made without any deduction or withholding for or on account of Withholding Taxes, unless such deduction or withholding is required by law. The Company will pay, as additional Capital Payments, such Additional Amounts as may be necessary in order that the net amounts received by the holders of the Class B Preferred Securities and the Trust Preferred Securities, after such deduction or withholding for or on account of Withholding Taxes, will equal the amounts that otherwise would have been received in respect of the Class B Preferred Securities and the Trust Preferred Securities, respectively, in the absence of such withholding or deduction.

No such Additional Amounts, however, will be payable in respect of the Class B Preferred Securities and the Trust Preferred Securities:

- if and to the extent that the Company is unable to pay because such payment would exceed the Distributable Profits of the Bank for the preceding fiscal year (after subtracting from such Distributable Profits the amount of Capital Payments on the Class B Preferred Securities and any payments on Preferred Tier 1 Securities, if any, already paid on the basis of such Distributable Profits on or prior to the date on which such Additional Amounts will be payable);
- with respect to any Withholding Taxes that are payable by reason of a holder or beneficial owner of the Class B Preferred Securities (other than the Trust) or Trust Preferred Securities having some connection with the Relevant Jurisdiction other than by reason only of the mere holding of the Class B Preferred Securities or the Trust Preferred Securities;

- with respect to any Withholding Taxes which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest or similar income, or (ii) any international treaty or understanding relating to such taxation and to which the United States, the European Union or Germany is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or
- to the extent such deduction or withholding can be avoided or reduced if the holder or beneficial owner of the Trust Preferred Securities makes a declaration of non-residence or other similar claim for exemption to the relevant tax authority or complies with any reasonable certification, documentation, information or other reporting requirement imposed by the relevant tax authority; *provided, however,* that the exclusion set forth in this clause shall not apply in respect of any certification, information, documentation or other reporting requirement if such requirement would be materially more onerous, in form, in procedure or in the substance of information disclosed, to the holder or beneficial owner of Trust Preferred Securities than comparable information or other reporting requirements imposed under U.S. tax law, regulation and administrative practice (such as IRS Forms 1001, W-8 and W-9).

Voting and Enforcement Rights

The Class B Preferred Securities will have no voting rights except as expressly required by applicable law or except as indicated below. In the event the holders of the Class B Preferred Securities are entitled to vote as indicated below, each Class B Preferred Security shall be entitled to one vote on matters on which holders of the Class B Preferred Securities are entitled to vote. In the event that:

- the Company fails to pay Capital Payments (including Additional Amounts thereon, if any) on the Class B Preferred Securities at the Stated Rate in full for two consecutive Payment Periods (or, in the case of the consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods and, in the case of any consecutive Payment Periods beginning after the Initial Redemption Date, for four consecutive Payment Periods); or
- a holder of the Class B Preferred Securities has notified the Company that the Bank has failed to perform any obligation under the Support Undertaking and such failure continues for 60 days after such notice is given;

then the holders of the Class B Preferred Securities will have the right to appoint the Independent Enforcement Director.

The Independent Enforcement Director will be appointed by resolution passed by a majority of the holders of the Class B Preferred Securities entitled to vote thereon, as described in the LLC Agreement, present in person or by proxy at a separate general meeting of the holders of the Class B Preferred Securities convened for that purpose (which will be called at the request of any holder of a Class B Preferred Security entitled to vote thereon) or by a consent in writing adopted by a majority of the holders of the Class B Preferred Securities entitled to vote thereon. Any Independent Enforcement Director so appointed will vacate office if, in such Independent Enforcement Director's sole determination:

- the Capital Payments (plus Additional Amounts thereon, if any) on the Class B Preferred Securities have been made on the Class B Preferred Securities at the Stated Rate in full by the Company for at least two consecutive Payment Periods (or, in the case of any consecutive Payment Periods beginning with the Payment Period ending on the day immediately preceding the Initial Redemption Date, for such Payment Period and the next two succeeding Payment Periods, and in the case of any consecutive Payment Periods beginning after the Initial Redemption Date, for four consecutive Payment Periods) and
- the Bank is in compliance with its obligations under the Support Undertaking.

Any such Independent Enforcement Director may be removed at any time, with or without cause by (and will not be removed except by) the vote of a majority of the holders of the outstanding Class B Preferred Securities entitled to vote, at a meeting of the Company's securityholders, or of holders of the Class B Preferred Securities entitled to vote thereon, called for that purpose. If the office of Inde-

pendent Enforcement Director will become vacant at any time during which the holders of the Class B Preferred Securities are entitled to appoint an Independent Enforcement Director, the holders of the Class B Preferred Securities will appoint an Independent Enforcement Director as provided above.

The Independent Enforcement Director will be an additional member of the Board of Directors referred to above and will have the sole authority, right and power to enforce and settle any claim of the Company under the Support Undertaking. However, the Independent Enforcement Director will have no right, power or authority to participate in the management of the business and affairs of the Company by the Board of Directors except for:

- actions related to the enforcement of the Support Undertaking on behalf of the holders of the Class B Preferred Securities, and
- the distribution of amounts paid pursuant to the Support Undertaking to the holders of the Class B Preferred Securities.

No director, including the Independent Enforcement Director, will be a resident of the Federal Republic of Germany.

So long as any Class B Preferred Securities are outstanding, the Company will not, without the affirmative vote of at least 66⅔% in aggregate liquidation preference amount of the Class B Preferred Securities, voting separately as a class (excluding any Class B Preferred Securities held by the Bank or any of its affiliates), (i) amend, alter, repeal or change any provision of the LLC Agreement (including the terms of the Class B Preferred Securities) if such amendment, alteration, repeal or change would materially adversely affect the rights, preferences, powers or privileges of the Class B Preferred Securities, (ii) agree to modify or amend any provision of, or waive any default in the payment of any amount under Obligations in any manner that would materially affect the interests of the holders of Class B Preferred Securities, or (iii) effect any merger, consolidation, or business combination involving the Company, or any sale of all or substantially all of the assets of the Company, provided, that any such merger, consolidation, or business combination involving the Company, or any sale of all or substantially all of the assets of the Company, also must comply with the requirements set forth under "– Mergers, Consolidations and Sales".

The Company will not, without the unanimous consent of all the holders of the Class B Preferred Securities (excluding any Class B Preferred Securities held by the Bank or any of its affiliates), issue any additional equity securities of the Company ranking prior to or *pari passu* with the Class B Preferred Securities as to periodic distribution rights or rights on liquidation or dissolution of the Company provided, however, that the Company may, from time to time and without the consent of the holders of the Class B Preferred Securities, issue additional Class B Preferred Securities having the same terms and conditions as the Class B Preferred Securities (or in all respects except for the issue date, the date from which Capital Payments accrue on the Class B Preferred Securities, the issue price, and any other deviations required for compliance with applicable law) so as to form a single series with the Class B Preferred Securities in consideration for Obligations of a principal amount equal to the aggregate liquidation preference amount of such additional Class B Preferred Securities.

Notwithstanding that holders of the Class A Preferred Security or Class B Preferred Securities may become entitled to vote or consent under any of the circumstances described in the LLC Agreement or in the by-laws of the Company (the "By-laws"), any Class A Preferred Security or any of the Class B Preferred Securities that are owned by the Bank, the Company or any of their respective affiliates (other than the Trust), either directly or indirectly, will in such case not be entitled to vote or consent and will, for the purposes of such vote or consent, be treated as if they were not outstanding, except for a Class A Preferred Security or Class B Preferred Securities purchased or acquired by the Bank or its subsidiaries or affiliates in connection with transactions effected by or for the account of customers of the Bank or any of its subsidiaries or affiliates or in connection with the distribution or trading of or market-making in connection with such Class A Preferred Security or Class B Preferred Securities in the ordinary course of business. However, certain persons (other than subsidiaries or affiliates of the Bank), excluding the Trust, to whom the Bank or any of its subsidiaries or affiliates have pledged a Class A Preferred Security or Class B Preferred Securities may vote or consent with respect to such pledged Class A Preferred Security or Class B Preferred Securities pursuant to the terms of such pledge.

Redemption of the Class B Preferred Securities

The Class B Preferred Securities are redeemable at the option of the Company, in whole but not in part, on any Payment Date falling on or after the Initial Redemption Date, at the Redemption Price plus Additional Amounts, if any. The Company may exercise its right to redeem the Class B Preferred Securities only if it has (i) given at least 30 days' prior notice (or such longer period as required by the relevant regulatory authorities) to the holders of the Class B Preferred Securities (and the Trust Preferred Securities) of its intention to redeem the Class B Preferred Securities on the Redemption Date, and (ii) obtained any required regulatory approvals.

The Company will also have a right prior to the Initial Redemption Date, to redeem the Class B Preferred Securities at any time, in whole but not in part, upon the occurrence of a Company Special Redemption Event at the Early Redemption Price, plus Additional Amounts, if any.

No redemption of the Class B Preferred Securities for any reason may take place unless on the Redemption Date: (i) the Company has sufficient funds (by reason of the Obligations, Permitted Investments or the Support Undertaking) to pay the Redemption Price or the Early Redemption Price, as the case may be, and to pay in full an amount corresponding to the Capital Payments accrued and unpaid as of the Redemption Date, plus Additional Amounts, if any; (ii) the Bank has an amount of Distributable Profits at least equal to the Capital Payments on the Class B Preferred Securities accrued and unpaid as of the Redemption Date or the Make-Whole Amount, as applicable, plus in each case Additional Amounts, if any; and (iii) no order of the BaFin (or any other relevant regulatory authority) is in effect prohibiting the Bank from making any distributions (including to the holders of Preferred Tier 1 Securities, if any).

In the event that payment of any redemption price, in respect of any Class B Preferred Securities, is improperly withheld or refused and not paid, Capital Payments on such Class B Preferred Securities will continue to accrue from the Redemption Date to the date of actual payment of such redemption price.

Any redemption of the Class B Preferred Securities, whether on a Payment Date on or after the Initial Redemption Date or upon the occurrence of a Company Special Redemption Event, will not require the vote or consent of any of the holders of the Class B Preferred Securities.

Redemption Procedures

Notice of any redemption of the Class B Preferred Securities (a "Redemption Notice") will be given by the Board of Directors on behalf of the Company by mail to the record holder of each Class B Preferred Security to be redeemed not fewer than 30 days before the date fixed for redemption, or such other time period as may be required by the relevant regulatory authorities. For purposes of the calculation of the Redemption Date and the dates on which notices are given pursuant to the LLC Agreement, a Redemption Notice will be deemed to be given on the day such notice is first mailed, by first-class mail, postage prepaid, to holders of the Class B Preferred Securities. Each Redemption Notice will be addressed to the holders of the Class B Preferred Securities at the address of each such holder appearing in the books and records of the Company. No defect in the Redemption Notice or in the mailing thereof with respect to any holder will affect the validity of the redemption proceedings with respect to any other holder.

If the Company gives a Redemption Notice (which notice will be irrevocable) by 9:00 a. m., New York City time, on the Redemption Date, the Company, if the Class B Preferred Securities are in book-entry only form with DTC, will deposit irrevocably with DTC funds sufficient to pay the Redemption Price and will give DTC irrevocable instructions and authority to pay the Redemption Price in respect of the Class B Preferred Securities held through DTC in global form, or if the Class B Preferred Securities are held in definitive form, will deposit with the Paying Agent funds sufficient to pay the applicable redemption price and will give to the Paying Agent irrevocable instructions and authority to pay such amounts to the holders of the Class B Preferred Securities, upon surrender of their certificates, by check, mailed to the address of the relevant holder of the Class B Preferred Securities appearing on the books and records of the Company on the Redemption Date.

However, for so long as the Property Trustee will hold the Class B Preferred Securities, payment will be made by wire in same day funds to the holder of the Class B Preferred Securities by 9:00 a. m., New York City time, on the Redemption Date. Upon satisfaction of the foregoing conditions, then immediately prior to the close of business on the date of payment, all rights of the holders of the Class B Preferred Securities will cease, except the right of the holders to receive the applicable redemption price, but without interest on such redemption price, and from and after the date fixed for redemption, the Class B Preferred Securities will not accrue Capital Payments or bear interest.

If any Redemption Date that occurs before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Redemption Date that occurs on or after the Reset Date falls on a day that is not a Business Day, such Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Redemption Date shall be the immediately preceding Business Day.

Liquidation Distribution

Upon liquidation of the Company, the holder of the Class A Preferred Security has a claim senior to that of the holders of the Class B Preferred Securities, and the holders of the Class B Preferred Securities have a claim senior to that of the holder of the Company Common Security; *provided* that any payments made by the Bank pursuant to the Support Undertaking will be payable by the Company solely to the holders of the Class B Preferred Securities. The holder of the Class A Preferred Security will be entitled to receive the Obligations (including accrued and unpaid interest thereon) as its liquidation distribution.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, holders of the Class B Preferred Securities will, subject to the limitations described below, be entitled to receive the liquidation preference amount of such Class B Preferred Securities, plus, in each case, accrued and unpaid Capital Payments in respect of the current Payment Period and Additional Amounts, if any. The Company expects that the liquidation distribution to the holders of the Class B Preferred Securities will be paid out of funds received from the Support Undertaking. The holders of the Class B Preferred Securities will be entitled to receive their liquidation distribution before any distribution of assets is made to the holder of the Company Common Security. Under the terms of the LLC Agreement and to the fullest extent permitted by law, the Company will not be dissolved until all obligations under the Support Undertaking have been paid in full pursuant to its terms.

Mergers, Consolidations and Sales

The Company may not consolidate, amalgamate, merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to, any corporation or other body, except as described below. The Company may, with the consent of the holders of the Class B Preferred Securities, consolidate, amalgamate, merge with or into, or be replaced by a limited partnership, limited liability company or trust organized as such under the laws of any State of the United States of America, *provided,* that:

- such successor entity either expressly assumes all of the obligations of the Company under the Class B Preferred Securities or substitutes for the Class B Preferred Securities other securities having substantially the same terms as the Class B Preferred Securities (the "Company Successor Securities") so long as the Company Successor Securities are not junior to any equity securities of the successor entity, with respect to participation in the profits, distributions and assets of the successor entity, except that they may rank junior to the Class A Preferred Security or any successor Class A Preferred Security to the same extent that the Class B Preferred Securities rank junior to the Class A Preferred Security;
- the Bank expressly acknowledges such successor entity as the holder of the Obligations and holds, directly or indirectly, all of the voting securities (within the meaning of Rule 3a-5 under the 1940 Act) of such successor entity;

- such consolidation, amalgamation, merger or replacement does not cause the Trust Preferred Securities (or, in the event that the Trust is liquidated, the Class B Preferred Securities (including any Company Successor Securities)) to be downgraded by any nationally recognized rating organization;
- such consolidation, amalgamation, merger or replacement does not adversely affect the powers, preferences and other special rights of the holders of the Trust Preferred Securities or Class B Preferred Securities (including any Company Successor Securities) in any material respect;
- such successor entity has a purpose substantially identical to that of the Company;
- prior to such consolidation, amalgamation, merger or replacement, the Company has received an opinion of a nationally recognized law firm experienced in such matters to the effect that:
  - such successor entity will be treated as a partnership, and will not be classified as an association or a publicly traded partnership taxable as a corporation, for United States federal income tax purposes,
  - such consolidation, amalgamation, merger or replacement would not cause the Trust to be classified as other than a grantor trust for United States federal income tax purposes,
  - following such consolidation, amalgamation, merger or replacement, such successor entity will not be required to register under the 1940 Act, and
  - such consolidation, amalgamation, merger or replacement will not adversely affect the limited liability of the holders of the Class B Preferred Securities;
- the Bank provides an undertaking to the successor entity under the Company Successor Securities equivalent to that provided by the Support Undertaking with respect to the Class B Preferred Securities.

Book-Entry and Settlement

If the Class B Preferred Securities are distributed to holders of the Trust Preferred Securities in connection with the involuntary or voluntary liquidation, dissolution, winding up or termination of the Trust, the Company will use reasonable efforts to arrange for the Class B Preferred Securities to be issued in the form of one or more global certificates (each a "Global Security") registered in the name of DTC or its nominee. As of the date of this Offering Circular, the description herein of DTC's book-entry system and practices as they relate to purchases, transfers, notices and payments with respect to the Trust Preferred Securities will apply in all material respects to any Class B Preferred Securities represented by one or more Global Securities.

Registrar, Transfer Agent and Paying Agent

Deutsche Bank Trust Company Americas will act as registrar, transfer agent and paying agent for the Class B Preferred Securities. Registration of transfers of the Class B Preferred Securities will be effected without charge by or on behalf of the Company, but upon payment (with the giving of such indemnity as the Transfer Agent may require) in respect of any tax or other governmental charges that may be imposed in relation to it. The Transfer Agent will not be required to register or cause to be registered the transfer of the Class B Preferred Securities after such Class B Preferred Securities have been called for redemption.

Miscellaneous

The Board of Directors is authorized and directed to conduct the affairs of the Company in such a way that (i) the Company will not be deemed to be required to register under the 1940 Act and (ii) the Company will not be treated as an association or as a "publicly traded partnership" (within the meaning of Section 7704 of the Code) taxable as a corporation for United States federal income tax purposes. In this connection, the Board of Directors is authorized to take any action, not inconsistent with applicable law or the LLC Agreement, that the Board of Directors determines in its discretion to

be necessary or desirable for such purposes, so long as such action does not adversely affect the interests of the holders of the Class B Preferred Securities.

DESCRIPTION OF THE SUPPORT UNDERTAKING

The following summary sets forth the material terms and provisions of the Support Undertaking. This summary is qualified in its entirety by reference to the terms and provisions of such agreement.

The Bank and the Company will enter into the Support Undertaking prior to the issuance of the Class B Preferred Securities, pursuant to which the Bank will undertake that (i) the Company will at all times be in a position to meet its obligations if and when such obligations are due and payable, including Capital Payments declared (or deemed declared) on the Class B Preferred Securities and payments due upon redemption of the Class B Preferred Securities (plus, in each case, Additional Amounts thereon, if any), and (ii) in liquidation, the Company will have sufficient funds to pay the liquidation preference amounts of the Class B Preferred Securities, plus any accrued and unpaid Capital Payments for the then current Payment Period to but excluding the date of liquidation and Additional Amounts, if any. The Bank will also undertake not to give any guarantee or similar undertaking with respect to, or enter into any other agreement relating to the support of, any other preference shares or similar securities of any other affiliated entity that would rank senior in any regard to the Support Undertaking, unless the Support Undertaking is amended so that it ranks at least *pari passu* with and contains substantially equivalent rights of priority as to payment as any such other guarantee or other support agreement. So long as any Class B Preferred Securities remain outstanding, the Support Undertaking may not be modified or terminated without the consent of the holders of the Class B Preferred Securities except for such modifications that are not adverse to the interests of the holders of the Class B Preferred Securities. The Support Undertaking is not a guarantee of any kind that the Company will at any time have sufficient assets to declare a Capital Payment or other distribution.

The Bank's obligations under the Support Undertaking will be subordinated to all senior and subordinated debt obligations of the Bank (including profit participation rights *(Genussscheine)*), will rank *pari passu* with the most senior ranking preference shares of the Bank, if any, and will rank senior to any other preference shares and the common shares of the Bank.

The holders of the Class B Preferred Securities will be third-party beneficiaries of the Support Undertaking. As titleholder of the Class B Preferred Securities for the benefit of the holders of the Trust Securities, the Property Trustee will have the power to exercise all rights, powers and privileges with respect to the Class B Preferred Securities under the Support Undertaking. If a holder of the Class B Preferred Securities has notified the Company that the Bank has failed to perform any obligation under the Support Undertaking, and such failure continues for 60 days or more after such notice is given, the holders of the Class B Preferred Securities (and the Trust Preferred Securities representing Class B Preferred Securities) will have the right to appoint the Independent Enforcement Director, who will be required to enforce the rights of the Company under the Support Undertaking.

All payments under the Support Undertaking will be distributed by the Company *pro rata* to holders of the Class B Preferred Securities until the holders of the Class B Preferred Securities receive the full amount payable under the Support Undertaking. So long as the Trust holds Class B Preferred Securities, the Property Trustee will distribute such payments received by the Trust to the holders of the Trust Preferred Securities *pro rata.*

The Bank will also undertake not to give any guarantee or similar undertaking with respect to, or enter into any other agreement relating to the support of, any other preference shares or similar securities of any other affiliated entity that would rank senior in any regard to the Support Undertaking unless the Support Undertaking is amended so that it ranks at least *pari passu* with and contains substantially equivalent rights of priority as to payment as any such other guarantee or other support agreement.

The Support Undertaking will be governed by, and construed in accordance with, German law.

DESCRIPTION OF THE SERVICES AGREEMENT

The following summary sets forth the material terms and provisions of the Services Agreement. This summary is qualified in its entirety by reference to the terms and provisions of such agreement.

Under the Services Agreement, the Bank or a majority-owned affiliate will be obligated, among other things, to provide legal, accounting, tax and other support services to the Trust and the Company, to maintain compliance with all applicable U.S. and German local, state and federal laws, and to provide administrative, recordkeeping and secretarial services for the Company and the Trust. The fees and expenses of the Company and the Trust, including, in each case, any taxes, duties, assessments or governmental charges of whatsoever nature (other than Withholding Taxes) imposed by Germany, the United States or any other taxing authority upon the Company or the Trust, and all other obligations of the Company and the Trust (other than with respect to the Trust Securities or the Company Securities) will be paid by the Bank or a majority-owned affiliate pursuant to the Services Agreement.

The Services Agreement does not prevent the Bank or any of its affiliates or employees from engaging in any other activities. The Services Agreement has an initial term of five years and is renewable automatically for additional five year periods unless the Company delivers a notice of nonrenewal in accordance with the terms of the Services Agreement.

The Services Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.

DESCRIPTION OF THE TERMS OF THE INITIAL OBLIGATION

The following summary sets forth the material terms and provisions of the Initial Obligation. This summary is qualified in its entirety by reference to the terms and provisions of the Initial Obligation.

General

The Principal Amount of the Initial Obligation will be $ 800,000,000. Substantially all of the proceeds from the issuance of the Class B Preferred Securities, together with the funds contributed by the Bank in return for the Class A Preferred Security and the Company Common Security, will be used by the Company to purchase the Initial Obligation. The aggregate Principal Amount of the purchased Initial Obligation will be such that the aggregate interest income paid on the Initial Obligation on any Interest Payment Date will be sufficient to make the aggregate Capital Payments on the Class B Preferred Securities on a corresponding Payment Date. The purchase of the Initial Obligation will occur contemporaneously with the issuance of the Class B Preferred Securities. The Initial Obligation will not be listed on any stock exchange.

The Initial Obligation will consist of an issue of subordinated notes issued by the Bank on the Closing Date which will mature on the Maturity Date. Interest on each individual note comprising a portion of the Principal Amount will accrue (i) for each Interest Period ending prior to the Reset Date, at the Fixed Rate and be payable semi-annually in arrears on each Fixed Rate Payment Date and (ii) for each Interest Period commencing on or after the Reset Date, at the Floating Rate and be payable quarterly in arrears on each Floating Rate Payment Date. For each Interest Period ending before the Reset Date, Capital Payments will be calculated on the basis of a 360-day year of twelve 30-day months. For each Interest Period beginning on or after the Reset Date, Capital Payments will be calculated on the basis of the actual number of days elapsed in a 360-day year.

If any Interest Payment Date or Obligation Redemption Date that occurs on or before the Reset Date falls on a day that is not a Business Day, payment of all amounts otherwise payable on such date will be made on the next succeeding Business Day, without adjustment, interest or further payment as a result of such delay in payment. If any Interest Payment Date or Obligation Redemption Date that occurs after the Reset Date falls on a day that is not a Business Day, such Interest Payment Date or Obligation Redemption Date shall be postponed to the next succeeding Business Day, unless it would thereby fall into the next calendar month, in which case such Interest Payment Date or Obligation Redemption Date shall be the immediately preceding Business Day.

Payment of interest on the Initial Obligation and any repayment upon redemption thereof, will be made without withholding or deduction for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or on behalf of Germany, the United States of America or the jurisdiction of any substitute obligor or any potential subdivision thereof or any other jurisdiction from which such payment is made unless such deduction or withholding is required by law. In such event, the Bank or other obligor will pay as additional interest such additional amounts ("Additional Interest Amounts") as may be necessary in order that the net amounts received by the Company will equal the amounts that otherwise would have been received had no such withholding or deduction been required; *provided,* that the obligation of the Bank or such obligor to pay such Additional Interest Amounts shall not apply to:

- any tax which is payable otherwise than by deduction or withholding;
- any tax imposed on the net income of the holder of the Initial Obligation or that is payable by reason of the holder having some connection with the jurisdiction imposing such tax other than by reason only of the mere holding of the Initial Obligation;
- with respect to any Withholding Taxes which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the United States, the European Union or Germany is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding;

- any tax to the extent the same would not have been so imposed but for the presentation of any Initial Obligation for payment on a date more than 15 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later; or
- to the extent such deduction or withholding can be avoided or reduced if the holder or beneficial owner of the Trust Preferred Securities makes a declaration of non-residence or other similar claim for exemption to the relevant tax authority or complies with any reasonable certification, documentation, information or other reporting requirement imposed by the relevant tax authority; *provided, however,* that the exclusion set forth in this clause shall not apply in respect of any certification, documentation, information or other reporting requirement if such requirement would be materially more onerous, in form, in procedure or in the substance of information disclosed, to the holder or beneficial owner of Trust Preferred Securities than comparable information or other reporting requirements imposed under U.S. tax law, regulation and administrative practice (such as IRS Forms 1001, W-8 and W-9).

The Initial Obligation will not be redeemable prior to the Initial Obligation Redemption Date except upon the occurrence of a (1) Regulatory Event, (2) a Tax Event or (3) an Investment Company Act Event with respect to the Company, or in the event of replacement with Substitute Obligations. Subject to having obtained any required regulatory approvals, the Bank may cause the redemption of the Initial Obligation in whole but not in part prior to the Initial Obligation Redemption Date, upon: (i) the occurrence of any of the events numbered (1), (2) or (3) above and the election of the Company to redeem the Class B Preferred Securities and (ii) at least 30 days' prior notice, at a redemption price equal to the greater of (A) the Principal Amount and (B) the Obligation Make-Whole Amount plus, in either case, accrued and unpaid interest and Additional Interest Amounts, if any. Exercise of the Bank's redemption right is conditional upon replacement of the Principal Amount of the Obligation to be redeemed by paying in other, at least equivalent own funds (*haftendes Eigenkapital*) within the meaning of the KWG, or prior approval of the BaFin or any successor authority of such early redemption.

The Bank may, at its option, redeem the Initial Obligation, in whole or in part, on any Interest Payment Date on or after the Initial Obligation Redemption Date (each an "Obligation Redemption Date"), upon at least 30 days' prior notice, subject to having obtained any required regulatory approvals.

Any redemption of the Initial Obligation will be at a redemption price equal to the Principal Amount to be redeemed plus accrued and unpaid interest thereon, and Additional Interest Amounts, if any. The Bank may not cause any redemption of the Initial Obligation prior to the Maturity Date (except upon the occurrence of a Company Special Redemption Event) unless (i) the Initial Obligation are replaced with Substitute Obligations, or (ii) the Company is permitted and has elected to redeem an equivalent liquidation preference amount of the Class B Preferred Securities as described above, in accordance with the LLC Agreement.

In the event of any default on the Obligations, the Company will enforce its rights for payment of any overdue amounts, but will not be able to accelerate the maturity of the Initial Obligation.

Subordination

The Initial Obligation will be the general unsecured debt obligation of the Bank and the Branch and in the liquidation of the Bank will rank subordinate and junior to all senior indebtedness of the Bank and *pari passu* with other subordinated obligations of the Bank. The obligations of the Bank and the Branch under the Initial Obligation will be subordinated (i) in right of payment upon the occurrence of any events of default thereunder, all of which relate to the bankruptcy, insolvency or liquidation of the Bank, to the prior payment in full of all other liabilities of the Bank (including all deposit liabilities and other liabilities of the Branch, head office and all offices of the Bank wherever located), except those liabilities which by their terms rank *pari passu* with or are subordinated to the Initial Obligation and (ii) in the event that the Superintendent of Banks of the State of New York (the "Superintendent") takes possession of the business and the property of the Branch, to the prior payment in full of the deposit liabilities of the Branch and all other liabilities of the Branch, except those liabilities which by their terms rank *pari passu* with or are subordinated to the Initial Obligation.

In order to implement clause (ii) of the preceding paragraph, the Company by its acceptance of the Initial Obligation will agree that in the event that the Superintendent shall take possession or be in possession of the business and property of the Branch at a time when proceedings with respect to the insolvency or liquidation of the Bank have occurred and are continuing, then the Superintendent shall be authorized to apply, and shall apply, any amounts that would be due to the holder of the Initial Obligation in the absence of the subordination provisions (1) first, to the payment in full of all deposit liabilities and all other liabilities of the Branch (other than obligations of the Branch that rank in right of payment *pari passu* with or that are subordinated to the Initial Obligation) and to the payment in full of any other claim accorded priority under any United States federal or New York state law which is then due and payable, the priorities to be ascribed among such claims to be determined in accordance with such laws, and (2) thereafter, to pay any amount remaining to any receiver or similar official in insolvency of the Bank with similar powers appointed with respect to the Bank or its assets for application (i) first, to the payment in full of all claims of depositors and other obligations of the Bank ranking senior in right of payment to the Initial Obligation, and (ii) thereafter, to the payment, equally and ratably, of any amounts then due and owing on the Initial Obligation and all obligations of the Bank ranking *pari passu* in right of payment with the Initial Obligation.

The Company as the holder of the Initial Obligation will also agree by its acceptance thereof that, if the Superintendent shall take or be in possession of the business and property of the Branch at a time when no proceedings with respect to the insolvency or liquidation of the Bank have occurred and are continuing, the Superintendent shall be authorized to apply, and shall apply, the assets of the Branch (1) first, to the payment in full of all deposit liabilities and all other liabilities (other than the Initial Obligation and other obligations of the Branch that rank *pari passu* with or that are subordinated to the Initial Obligation) and to the payment in full of any other claim accorded priority under any United States federal or New York state law which is then due and payable, the priorities to be ascribed among such claims to be determined in accordance with such laws, (2) second, to the payment, equally and ratably, of any amounts then due and owing on the Initial Obligation and (3) thereafter, to pay any amount remaining to the Bank.

The Company, as the holder of the Initial Obligation, by its acceptance thereof, will irrevocably waive any rights it might otherwise have as a holder of "accepted" claims under Section 606.4(a) of the New York Banking Law and to any other preferences to which the holder may become entitled under Section 4(j) of the International Banking Act of 1978 and any other applicable law, to the extent necessary to give effect to the subordination provisions set forth above.

The Company, as the holder of the Initial Obligation, will also agree by its acceptance thereof that it waives any rights it may have to set off claims under the Initial Obligation against claims the Bank may have against it. Pursuant to § 10, subparagraph (5a) of the German Banking Act, if the Bank redeems, repurchases or repays the Initial Obligation prior to a date on which such redemption or repayment is permitted under the terms thereof, notwithstanding any agreements to the contrary, any amounts so paid to a holder of the Initial Obligation must be repaid to the Bank unless a statutory exemption (replacement of the Principal Amount with at least equivalent own funds or prior approval of the BaFin) applies.

The obligations of the Bank under the Initial Obligation may not be secured by any lien, security interest or other encumbrance on any property of the Bank or any other person and, except as permitted by applicable law, the Bank shall not, directly or indirectly, acquire for its own account, finance for the account of any other person the acquisition of, or accept as security for any obligation owed to it, any of the Initial Obligation. The Bank is also prohibited from amending the terms of the Initial Obligation to limit the subordination provisions or change the Initial Obligation Redemption Date to an earlier date.

Substitution; Redemption and Reinvesting of Proceeds

At any time, the Bank will have the right to (i) substitute another obligor on the Obligations, in whole or in part, which obligor will be a branch of the Bank or a majority-owned subsidiary that is consolidated with the Bank for German bank regulatory purposes, or (ii) replace the Obligations, in whole or in part, with Substitute Obligations issued by the Bank or a majority-owned subsidiary that is conso-

lidated with the Bank for German bank regulatory purposes with identical terms to those of the Initial Obligation; *provided,* in each case, that (a) such substitution or replacement does not result in a Company Special Redemption Event and (b) the Bank (which may act through a branch) guarantees on a subordinated basis, at least equal to the ranking of the Initial Obligation, the obligations of the new substitute obligor.

After the Maturity Date, if the Class B Preferred Securities have not been redeemed, the Company will invest in Permitted Investments. The Company will attempt to purchase Permitted Investments in the following order of priority, to the extent the same are available (and within each category on terms that are the best available in relation to providing funds for the payment of Capital Payments and the redemption of the Class B Preferred Securities):

- first, debt obligations of the Bank or one or more majority-owned subsidiaries of the Bank, unconditionally guaranteed by the Bank (which may act through any of its subsidiaries) on a subordinated basis that ranks at least *pari passu* with the Initial Obligation; or
- second, in the event such an investment is not available, in United States Treasury securities.

Governing Law

The Initial Obligation will be governed by New York law.

LEGAL MATTERS

Certain matters of Delaware law relating to the validity of the Trust Preferred Securities and the Class B Preferred Securities will be passed upon for the Trust, the Company, the Delaware Trustee and the Bank by Richards, Layton & Finger, P.A., Wilmington, Delaware. Certain matters of the law of Germany, New York and the United States of America will be passed upon for the Trust, the Company and the Bank by the legal department of the Bank and for the Initial Purchasers by Cleary Gottlieb Steen & Hamilton LLP, Frankfurt am Main, Germany.

THE BANK

History, Incorporation, Registered Office and Objectives

Deutsche Bank Aktiengesellschaft originated from the reunification of Norddeutsche Bank Aktiengesellschaft, Hamburg, Rheinisch-Westfälische Bank Aktiengesellschaft, Duesseldorf and Süddeutsche Bank Aktiengesellschaft, Munich; pursuant to the Law on the Regional Scope of Credit Institutions, these had been disincorporated in 1952 from Deutsche Bank which was founded in 1870. The merger and the name were entered in the Commercial Register of the District Court Frankfurt am Main on May 2, 1957. Deutsche Bank is a banking institution and a stock corporation incorporated under the laws of Germany under registration number HRB 30 000. The Bank has its registered office in Frankfurt am Main, Germany. It maintains its head office at Taunusanlage 12, 60325 Frankfurt am Main (telephone: +49-69-910-00) and branch offices in Germany and abroad including in London, New York, Sydney, Tokyo and an Asia-Pacific Head Office in Singapore which serve as hubs for its operations in the respective regions.

The Bank is the parent company of a group consisting of banks, capital market companies, fund management companies, a real estate finance company, installment financing companies, research and consultancy companies and other domestic and foreign companies (the "Deutsche Bank Group").

The objects of the Bank, as laid down in Article 2 of its Articles of Association, include the transaction of all kinds of banking business, the provision of financial and other services and the promotion of international economic relations. The Bank may realize these objectives itself or through subsidiaries and affiliated companies. To the extent permitted by law, the Bank is entitled to transact all business and to take all steps which appear likely to promote the objectives of the Bank, in particular: to acquire and dispose of real estate, to establish branches at home and abroad, to acquire, administer and dispose of participations in other enterprises, and to conclude enterprise agreements.

The duration of the Bank is unlimited.

In accordance with German law, Deutsche Bank has both a Supervisory Board *(Aufsichtsrat)* and a Management Board *(Vorstand).* These Boards are separate; no individual may be a member of both. The Supervisory Board appoints the members of the Management Board and supervises the activities of this Board. The Management Board represents Deutsche Bank and is responsible for the management of its affairs. For information on the members of the Management Board and the Supervisory Board, see the Bank's Annual Report on Form 20-F for the year ended December 31, 2004 and Interim Report on Form 6-K for October 2005, incorporated by reference herein.

The Supervisory Board has the authority to establish, and appoint its members to standing committees and to delegate certain of its powers to these committees. The Supervisory Board has established the following four standing committees:

– The Chairman's Committee is responsible for deciding the terms of the service contracts and other contractual arrangements between the Bank and members of its Management Board. In particular, the Chairman's Committee determines salaries and other compensation components, including pension benefits, for the Management Board. Moreover, the Chairman's Committee is responsible for the statutorily required approval of certain contracts between the Bank and members of the Supervisory Board and Management Board, the approval of ancillary activities of members of the Management Board, including the acceptance of mandates at other companies, and the handling of other contractual business with active and former members of the Management Board pursuant to Section 112 of the German Stock Corporation Act. It also prepares the Supervisory Board decisions with respect to corporate governance. The current members of the Chairman's Committee are Dr. Rolf-E. Breuer (Chairman), Heidrun Förster, Ulrich Hartmann and Ulrich Kaufmann.

– The Audit Committee mandates the independent auditors that the Annual General Meeting elects. In particular, the Audit Committee sets the compensation of the independent auditors and may determine priorities for the audit. The Audit Committee reviews the interim reports, and financial statements of the Deutsche Bank Group, taking into account the results of the audits, discusses the reports on the limited reviews of the quarterly financial statements with the auditor and other reviews that the independent auditors have performed. It discusses changes of accounting or auditing practices and is also responsible for the handling of complaints regarding accounting,

internal accounting controls and auditing matters. Additionally, engagements of the auditors to perform non-audit services are required to be approved pursuant to policies and procedures adopted by the Audit Committee. The current members of the Audit Committee are Dr. Karl-Gerhard Eick (Chairman), Dr. Rolf-E. Breuer, Heidrun Förster, Sabine Horn, Rolf Hunck and Sir Peter Job.

– The Risk Committee has delegated authority to approve the extension of credit where applicable law or the Bank's Articles of Association require the approval of the Supervisory Board. The Risk Committee is only authorized to approve investments in other companies of between 2% and 3% of the Bank's regulatory banking capital. Investments above this threshold that require the Supervisory Board's approval must be approved by the Supervisory Board as a body, not just by the Committee. In addition, the Management Board provides the Risk Committee with information on market, legal and reputational risks, credit exposures and related circumstances which are of special importance due to the risks or liabilities attached to them or for any other reason. The current members of the Risk Committee are Dr. Rolf-E. Breuer (Chairman), Sir Peter Job and Prof. Henning Kagermann. The current deputy members are Tilden Todenhoefer and Dr. Jur. Dr.-Ing. E. h. Heinrich von Pierer.

– The Mediation Committee is responsible for making proposals to the Supervisory Board on the appointment or dismissal of members of the Management Board in those cases where the Supervisory Board is unable to reach a two-thirds majority decision with respect to the appointment or dismissal. In voting on such proposals, members of the Management Board are dismissed or appointed by a simple majority of the votes cast. The current members of the Mediation Committee are Dr. Rolf-E. Breuer (Chairman), Heidrun Förster, Ulrich Hartmann and Henriette Mark.

In accordance with Section 161 of the German Stock Corporation Act, the Management Board and the Supervisory Board have made the following annual declaration dated October 27, 2005 in connection with the recommendations of the Government Commission on the German Corporate Governance Code:

"1. Since its last Declaration of Conformity dated October 28, 2004, Deutsche Bank AG has complied with the recommendations of the "Government Commission's German Corporate Governance Code" in the version dated May 21, 2003 and, since June 2, 2005, in the appropriate version with the following exception:

   For the members of the Management Board and the Supervisory Board, there has been a directors' and officers' liability insurance policy without deductible (Code No. 3.8).

2. Deutsche Bank will act in conformity with the recommendations of the "Government Commission's German Corporate Governance Code" in the version dated June 2, 2005 with the following exception:

   For the members of the Management Board and the Supervisory Board, there is a directors' and officers' liability insurance policy without deductible (Code No. 3.8). This is actually a group insurance policy for a large number of staff members in Germany and abroad. Internationally, a deductible is not common; a differentiation between board members and staff members does not appear to be appropriate."

The members of the Management Board accept membership on the Supervisory Boards of other corporations within the limits prescribed by law.

Also, to assist the Bank with avoiding conflicts of interest, the members of the Management Board have generally undertaken not to assume chairmanships of supervisory boards of companies outside the Deutsche Bank Group.

The business address of each member of the Management Board and the Supervisory Board of the Bank is Taunusanlage 12, 60325 Frankfurt am Main, Germany.

Share Capital

Share Capital of the Bank

As of September 30, 2005, the Bank's issued share capital amounted to € 1,415,674,150.40 consisting of 552,997,715 ordinary shares without par value. The shares are fully paid up and in registered form. The shares are listed for trading and official quotation on all the German Stock Exchanges. They are also listed on the Stock Exchanges in Amsterdam, Brussels, London, Luxembourg, New York, Paris, Tokyo, Vienna and Zurich.

The Bank is neither directly nor indirectly owned nor controlled by any other corporation, by any foreign government or by any other natural or legal person severally or jointly.

The Bank is aware of no arrangements the operation of which may at a subsequent date result in a change of control of the Bank.

Capitalization and Indebtedness of Deutsche Bank Group

As of September 30, 2005, Deutsche Bank Group's capitalization and indebtedness (unaudited) on the basis of U. S. GAAP was as follows:

	As of September 30, 2005
	(€ in millions)
Deposits	360,329
Trading liabilities	193,259
Central bank funds purchased and securities sold under repurchase agreements	134,079
Securities loaned	19,183
Other short-term borrowings	26,206
Other liabilities	81,402
Long-term debt	123,852
Obligation to purchase common shares	3,506
Total liabilities	941,816
Common shares, no par value, nominal value of € 2.56	1,416
Additional paid-in capital	11,498
Retained earnings	22,140
Common shares in treasury, at cost	(2,290)
Equity classified as obligation to purchase common shares	(3,506)
Share awards	1,926
Accumulated other comprehensive income (loss)	
Deferred tax on unrealized net gains on securities available for sale relating to 1999 and 2000 tax rate changes in Germany	(2,375)
Unrealized net gains on securities available for sale, net of applicable tax and other	2,651
Unrealized net gains on derivatives hedging variability of cash flows, net of tax	20
Minimum pension liability, net of tax	(1)
Foreign currency translation, net of tax	(1,464)
Total accumulated other comprehensive loss	(1,169)
Total shareholders' equity	30,015
Total liabilities and shareholders' equity	971,831

There has been no material change in Deutsche Bank Group's capitalization and indebtedness since September 30, 2005.

Financial Year

The financial year of the Bank is the calendar year.

Auditors

The independent auditors of the Bank are KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("KPMG"), Marie-Curie-Strasse 30, 60439 Frankfurt am Main, Germany. KPMG audited Deutsche Bank AG's non-consolidated financial statements for the years ended December 31, 2002, 2003 and 2004, which were prepared in accordance with the German Commercial Code ("HGB"). In accordance with § 292a HGB, the consolidated financial statements for the years ended 31 December 2002, 2003 and 2004 were prepared in accordance with U.S. GAAP and audited by KPMG. In each case an unqualified auditor's certificate has been provided.

Summary Consolidated Financial and Other Data of the Deutsche Bank Group

Income Statement Data

	Year ended December 31,		
	2004	2003	2002
	(€ in millions, except per share data)		
Net interest revenues	€ 5,182	€ 5,847	€ 7,186
Provision for loan losses	372	1,113	2,091
Net interest revenues after provision for loan losses	4,810	4,734	5,095
Commissions and fee revenues	9,506	9,332	10,834
Trading revenues, net	6,186	5,611	4,024
Other non-interest revenues	1,044	478	4,503
Total net revenues	21,546	20,155	24,456
Compensation and benefits	10,222	10,495	11,358
Goodwill amortization/impairment	19	114	62
Restructuring activities	400	(29)	583
Other non-interest expenses	6,878	6,819	8,904
Total non-interest expenses	17,517	17,399	20,907
Income before income tax expense (benefit) and cumulative effect of accounting changes	4,029	2,756	3,549
Income tax expense	1,437	1,327	372
Income tax expense from the change in effective tax rate and the reversing effect	120 (1)	215 (1)	2,817 (1)
Income before cumulative effect of accounting changes, net of tax	2,472 (1)	1,214 (1)	360 (1)
Cumulative effect of accounting changes, net of tax (2)	–	151	37
Net income (2)	€ 2,472 (1)	€ 1,365 (1)	€ 397 (1)
Basic earnings per share (3)			
Income before cumulative effect of accounting changes, net of tax	5.02 (1)	2.17 (1)	0.58 (1)
Cumulative effect of accounting changes, net of tax (2)	–	0.27	0.06
Net income (2)	€ 5.02 (1)	€ 2.44	€ 0.64 (1)
Diluted earnings per share (4)			
Income before cumulative effect of accounting changes, net of tax	€ 4.53 (1)	€ 2.06 (1)	€ 0.57 (1)
Cumulative effect of accounting changes, net of tax (2)	–	0.25	0.06
Net income (2)	€ 4.53	€ 2.31 (1)	€ 0.63 (1)
Dividends paid per share (5)	€ 1.50	€ 1.30	€ 1.30

(1) These figures reflect the income tax expense (benefit) from changes in 1999 and 2000 effective tax rates pursuant to German tax law and the reversing effect. These changes and their effects are described in notes 20 and 26 to the Consolidated Financial Statements incorporated by reference herein.

(2) In 2003 and 2002, these figures reflect the cumulative effect of changes in accounting principle. These changes and their effects on Deutsche Bank Group's Consolidated Statement of Income are described in note 2 to the Consolidated Financial Statements incorporated by reference herein.

(3) Basic earnings per share for each period is calculated by dividing net income by the weighted average number of common shares outstanding.

(4) Diluted earnings per share for each period is calculated by dividing Deutsche Bank Group's net income by the weighted average number of common shares and potential dilutive common shares outstanding.

(5) Dividends declared and paid in the year.

The following table shows Deutsche Bank Group's income before cumulative effect of accounting changes, Deutsche Bank Group's net income and basic net income per share, in each case excluding the effects of the tax rate changes and the cumulative effect of accounting changes:

	2004	Per Share (basic)	2003	Per Share (basic)	2002	Per Share (basic)
	(€ in millions, except per share amounts)					
Income before cumulative effect of accounting changes, net of tax	€ 2,472	€ 5.02	€ 1,214	€ 2.17	€ 360	€ 0.58
Cumulative effect of accounting changes, net of tax	–	–	151	0.27	37	0.06
Net income	€ 2,472	€ 5.02	€ 1,365	€ 2.44	€ 397	€ 0.64
Income tax expense from the change in effective tax rate and the reversing effect	120	0.24	215	0.38	2,817	4.58
Net income without the effect of tax rate changes	€ 2,592	€ 5.26	€ 1,580	€ 2.82	€ 3,214	€ 5.22
Net income before accounting changes and the effect of tax rate changes	€ 2,592	€ 5.26	€ 1,429	€ 2.56	€ 3,177	€ 5.16

Balance Sheet Data

	As of December 31,		
	2004	2003	2002
	(€ in millions)		
Total assets	840,068	803,614	758,355
Loans, net	136,344	144,946	167,303
Deposits	329,469	306,154	327,625
Long-term debt	106,870	97,480	104,055
Common shares	1,392	1,490	1,592
Total shareholders' equity	25,904	28,202	29,991
Tier 1 risk-based capital (BIS [1])	18,727	21,618	22,742
Total risk-based capital (BIS [1])	28,612	29,871	29,862

[1] Bank for International Settlements.

Recent Developments

On October 28, 2005, the Bank published its third quarter interim report. It reported third quarter income before income taxes of € 1.9 billion after restructuring expenses of € 156 million and a gain of € 337 million on the sale of shares in Daimler Chrysler AG, up by 87% versus the third quarter 2004. For the first nine months of 2005, income before income taxes rose 36% to € 5.1 billion. Net income rose by 46% to € 1.0 billion in the third quarter 2005, and by 34% to € 3.0 billion for the first nine months. Pre-tax return on average active equity was 29% for the third quarter and 28% for the first nine months. Before restructuring expenses and the gain from the sale of DaimlerChrysler AG shares, pre-tax return on average active equity was 26% for the quarter and 28% for the first nine months. Diluted earnings per share for the quarter rose by 48% to € 1.89, and by 44% to € 5.95 for the first nine months.

On July 28, 2005, the Bank announced that its Management Board decided to launch with immediate effect a new share buyback program under the terms of the authorization granted at the Annual General Meeting on May 18, 2005. Within this new program, the Bank may buy back up to 10% of shares

issued at the time of the Annual General Meeting, *i.e.,* up to 54,832,129 shares, by October 31, 2006, reserving the right to suspend the program in favor of strategic growth initiatives. As with previous programs, buybacks will be executed through direct purchases on XETRA and potentially through the use of derivatives. The Bank plans to use repurchased shares to reduce share capital and to support future equity-based compensation programs. The Bank also reserves the option to use the repurchased shares for other purposes in accordance with the authorization granted at the Annual General Meeting.

On May 18, 2005 the General Assembly of Deutsche Bank decided to increase the dividend by 13% to € 1.70 per share.

In February 2003, the Düsseldorf Prosecutor filed charges against Dr. Ackermann and other former members of the Supervisory Board, members of the Management Board and one manager of Mannesmann AG at the Düsseldorf District Court *(Landgericht Düsseldorf)*. The complaint alleges a breach of trust in connection with payments to former members of the Management Board and other managers of Mannesmann AG following the takeover of Mannesmann by Vodafone in Spring 2000. On July 22, 2004 the Düsseldorf District Court acquitted every defendant of such charges. The Düsseldorf Prosecutor filed a notice of appeal to the Federal Supreme Court *(Bundesgerichtshof)*. On December 21, 2005 the Federal Supreme Court ordered a retrial at the Düsseldorf District Court. It is not yet known when the new trial will begin. The Supervisory Board of the Bank has repeatedly declared that it supports Dr. Ackermann's defense. On December 21, 2005 it expressed once again its unrestricted trust in Dr. Ackermann.

Summary Interim Consolidated Financial and Other Data of the Deutsche Bank Group

Income Statement

	Nine months ended September 30,	
	2005	2004
	(€ in millions)	
Net interest revenues	4,272	4,011
Provision for loan losses	256	361
Net interest revenues after provision for loan losses	4,016	3,650
Commissions and fees from fiduciary activities	2,595	2,343
Commissions, broker's fees, markups on securities underwriting and other securities activities	2,940	2,828
Fees for other customer services	1,817	1,890
Trading revenues, net	6,052	4,725
Net gains on securities available for sale	562	257
Net income from equity method investments	273	253
Other revenues	591	298
Total non-interest revenues	14,830	12,594
Compensation and benefits	8,375	7,632
Net occupancy expense of premises	754	906
Furniture and equipment	122	135
IT costs	1,115	1,115
Agency and other professional service fees	627	569
Communication and data services	437	454
Other expenses	1,901	1,546
Goodwill impairment	–	–
Restructuring activities	440	–
Total non-interest expenses	13,771	12,516
Income before income tax expense and cumulative effect of accounting changes	5,075	3,728
Income tax expense	1,700	1,331
Income tax expense from the reversing effect of the change in effective tax rate	333	120
Income before cumulative effect of accounting changes, net of tax	3,042	2,277
Cumulative effect of accounting changes, net of tax	–	–
Net income	3,042	2,277

Balance sheet

	As of		
	September 30, 2005	June 30, 2005	March 31, 2005
		(€ in millions)	
Total assets	971,831	963,649	900,871
Loans, net	146,095	142,673	142,501
Liabilities	941,816	935,970	874,045
Total shareholders' equity	30,015	27,679	26,826
Tier I risk-based capital (BIS)	22,841	21,777	20,786
Total risk-based capital (BIS)	35,133	32,518	31,508

Litigation

Other than set out herein the Bank is not, or during the last two financial years has not been involved (whether as defendant or otherwise) in, nor does it have knowledge of any threat of any legal, arbitra-

tion, administrative or other proceedings the result of which may have, in the event of an adverse determination, a significant effect on its financial condition presented in this Offering Circular.

IPO Allocation Litigation

DBSI and its predecessor firms, along with numerous other securities firms, have been named as defendants in over 80 putative class action lawsuits pending in the United States District Court for the Southern District of New York. These lawsuits allege violations of securities and antitrust laws in connection with the allocation of shares in a large number of initial public offerings ("IPOs") by issuers, officers and directors of issuers, and underwriters of those securities. DBSI is named in these suits as an underwriter. The securities cases allege material misstatements and omissions in registration statements and prospectuses for the IPOs and market manipulation with respect to aftermarket trading in the IPO securities. Among the allegations are that the underwriters tied the receipt of allocations of IPO shares to required aftermarket purchases by customers and to the payment of undisclosed compensation to the underwriters in the form of commissions on securities trades, and that the underwriters caused misleading analyst reports to be issued. The antitrust claims allege an illegal conspiracy to affect the stock price based on similar allegations that the underwriters required aftermarket purchases and undisclosed commissions in exchange for allocation of IPO stocks. In the securities cases, the motions to dismiss the complaints of DBSI and others were denied on February 13, 2003. Plaintiffs' motion to certify six "test" cases as class actions in the securities cases was granted on October 13, 2004, and DBSI and other defendants have appealed that decision to the Court of Appeals for the Second Circuit. Discovery in the securities cases is underway. In the putative antitrust class action, the defendants' motion to dismiss the complaint was granted on November 3, 2003. On September 28, 2005, the Court of Appeals for the Second Circuit vacated the ruling and remanded the case to the lower court for consideration of alternate grounds for dismissal. Defendants have moved for reconsideration by the Second Circuit.

Enron Litigation

Deutsche Bank AG and certain of its affiliates are collectively involved in more than 20 lawsuits arising out of their banking relationship with Enron Corp., its subsidiaries and certain Enron-related entities ("Enron"). These lawsuits include a series of purported class actions brought on behalf of shareholders of Enron, including the lead action captioned Newby v. Enron Corp. The consolidated complaint filed in Newby named as defendants, among others, Deutsche Bank AG, several other investment banking firms, a number of law firms, Enron's former accountants and affiliated entities and individuals and other individual defendants, including present and former officers and directors of Enron, and it purported to allege claims against Deutsche Bank AG under federal securities laws. On December 20, 2002, the Court dismissed all of the claims alleged in the Newby action against Deutsche Bank AG. Plaintiffs in Newby filed a first amended consolidated complaint on May 14, 2003 and reasserted claims against Deutsche Bank AG under federal securities laws and also added similar claims against its subsidiaries DBSI and Deutsche Bank Trust Company Americas ("DBTCA"). On March 29, 2004, the Court dismissed in part the claims alleged in the Newby action against the Deutsche Bank entities. Specifically, the Court dismissed the fraud claims, but did not dismiss the non-fraud claims. On July 26, 2005, the Court granted plaintiffs' motion for reconsideration of the partial dismissal of the Deutsche Bank entities, thus reinstating the fraud allegations against the Deutsche Bank entities that had been dismissed on March 29, 2004. Plaintiffs' motion to certify a class of shareholders in Newby is being briefed.

Also, an adversary proceeding has been brought by Enron in the bankruptcy court against, among others, Deutsche Bank AG and certain of its affiliates. In this adversary proceeding, Enron seeks damages from the Deutsche Bank entities, as well as the other defendants, for alleged aiding and abetting breaches of fiduciary duty by Enron insiders, aiding and abetting fraud and unlawful civil conspiracy, and also seeks return of alleged fraudulent conveyances and preferences and equitable subordination of their claims in the Enron bankruptcy. The Deutsche Bank entities' motion to partially dismiss the adversary complaint is pending.

In addition to Newby and the adversary proceeding described above, there are third-party actions brought by Arthur Andersen in Enron-related cases asserting contribution claims against Deutsche

Bank AG, DBSI and many other defendants, and individual and putative class actions brought in various courts by Enron investors and creditors alleging federal and state law claims against the same entities named by Arthur Andersen, as well as DBTCA.

WorldCom Litigation

Deutsche Bank AG and DBSI were defendants in more than 40 actions filed in federal and state courts arising out of alleged material misstatements and omissions in the financial statements of WorldCom Inc. DBSI was a member of the syndicate that underwrote WorldCom's May 2000 and May 2001 bond offerings, which are among the bond offerings at issue in the actions. Deutsche Bank AG, London branch was a member of the syndicate that underwrote the sterling and euro tranches of the May 2001 bond offering. Plaintiffs were alleged purchasers of these and other WorldCom debt securities. The defendants in the various actions included certain WorldCom directors and officers, WorldCom's auditor and members of the underwriting syndicates for the debt offerings. Plaintiffs alleged that the offering documents contained material misstatements and/or omissions regarding WorldCom's financial condition. The claims against DBSI and Deutsche Bank AG were made under federal and state statutes (including securities laws), and under various common law doctrines. The largest of the actions against Deutsche Bank AG and DBSI was a class action litigation in the U.S. District Court in the Southern District of New York, in which the class plaintiffs are the holders of a significant majority of the bonds at issue. On March 10, 2005, Deutsche Bank AG and DBSI reached a settlement agreement, subject to court approval, resolving the class action claims asserted against them, for a payment of approximately U.S.$ 325 million. The settlement of the class action claims did not resolve the individual actions brought by investors who chose to opt out of the federal class action. The financial effects of the class action settlement are reflected in our 2004 consolidated financial statements. All but three of the individual actions have been resolved.

Tax-Related Litigations

Deutsche Bank AG, along with certain affiliates and employees, have collectively been named as defendants in more than 75 legal proceedings brought by investors in various tax-oriented transactions. Deutsche Bank provided financial products and services to these investors, who were advised by various accounting, legal and financial advisory professionals. The investors claimed tax benefits as a result of these transactions, and the United States Internal Revenue Service has rejected those claims. In these legal proceedings, the investors allege that, together with Deutsche Bank, the professional advisors improperly misled the investors into believing that the claimed tax benefits would be upheld by the Internal Revenue Service. The legal proceedings are pending in numerous state and federal courts and in arbitration, and claims against Deutsche Bank are alleged under both U.S. state and federal law. Many of the claims against Deutsche Bank are asserted by individual investors, while others are asserted on behalf of a putative investor class. No litigation class has been certified as against Deutsche Bank. The legal proceedings are currently at different pre-trial stages, including discovery.

In the Matter of KPMG LLP Certain Auditor Independence Issues

On November 20, 2003, the SEC requested the Bank to produce certain documents in connection with an ongoing investigation of certain auditor independence issues relating to KPMG LLP. Deutsche Bank is cooperating with the SEC in its inquiry. KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft ("KPMG DTG"), a KPMG LLP affiliate, is the Bank's auditor. Aspects of this investigation appear to involve certain tax oriented transactions among those at issue in the tax-related litigation described above, where Deutsche Bank provided financial products and services and a KPMG LLP affiliate advised the investors. During all relevant periods, including the present, KPMG DTG has confirmed to the Bank that KPMG DTG was and is "independent" from the Bank under applicable accounting and SEC regulations.

Kirch Litigation

In May 2002, Dr. Leo Kirch personally and as an assignee initiated legal action against Dr. Breuer and Deutsche Bank AG alleging that a statement made by Dr. Breuer (then the Spokesman of the Bank's

Management Board) in an interview with Bloomberg television on February 4, 2002 regarding the Kirch Group was in breach of laws and financially damaging to Kirch. On February 18, 2003, the Munich District Court No. I issued a declaratory judgment to the effect that Deutsche Bank AG and Dr. Breuer were jointly and severally liable for damages to Dr. Kirch, TaurusHolding GmbH & Co. KG and PrintBeteiligungs GmbH as a result of the interview statement. Upon appeal, the Munich Superior Court on December 10, 2003 reaffirmed the decision of the District Court against Deutsche Bank AG, whereas the case against Dr. Breuer was dismissed. Both Dr. Kirch and Deutsche Bank AG have filed motions with the Supreme Court in Civil Matters to set the judgment of the Superior Court aside. On the appeals of both sides a court hearing before the Supreme Court took place on December 6, 2005. A decision is expected to be announced an January 24, 2006. To be awarded a judgment for damages against Deutsche Bank AG, Dr. Kirch would have to file a new lawsuit; in such proceedings he would have to prove that the statement caused financial damages and the amount thereof. In 2003 Dr. Kirch instituted legal action in the Supreme Court of the State of New York in which he seeks the award of compensatory and punitive damages based upon Dr. Breuer's interview. Upon referral to the U.S. District Court for the Southern District of New York, the case was dismissed on September 24, 2004. Dr. Kirch appealed this decision. The hearing before the US Court of Appeals for the Second Circuit took place on October 21, 2005.

On December 31, 2005 the KGL Pool GmbH filed a lawsuit against Deutsche Bank and Dr. Breuer. The lawsuit is based on alleged claims assigned from various subsidiaries of the former Kirch Group. The KGL Pool GmbH is also a plaintiff in the above mentioned case in the USA and seeks a declaratory judgment to the effect that Deutsche Bank AG and Dr. Breuer are jointly and severally liable for damages as a result of the interview statement and the behavior of Deutsche Bank in respect of several subsidiaries of the Kirch Group.

Philipp Holzmann AG

Philipp Holzmann AG ("Holzmann") is a major German construction firm which filed for insolvency in March 2002. The Bank had been a major creditor bank and holder of an equity interest of Holzmann for many decades, and, from April 1997 until April 2000, a former member of the Bank's Management Board was the Chairman of its Supervisory Board. When Holzmann had become insolvent at the end of 1999, a consortium of banks led by the Bank participated in late 1999 and early 2000 in a restructuring of Holzmann that included the banks' extension of a credit facility, participation in a capital increase and exchange of debt into convertible bonds. In March 2002, Holzmann and several of its subsidiaries, including in particular imbau Industrielles Bauen GmbH ("imbau"), filed for insolvency. As a result of this insolvency, the administrators for Holzmann and for imbau and a group of bondholders have informed the Bank they may assert claims against it because of its role as lender to the Holzmann group prior to and after the restructuring and as leader of the consortium of banks which supported the restructuring. The purported claims include claims that amounts repaid to the banks constituted voidable preferences that should be returned to the insolvent entities and claims of lender liability resulting from the banks' support for an allegedly infeasible restructuring. Although the Bank is in ongoing discussions, it cannot exclude that some of the parties may file lawsuits against it. To date, the administrator for imbau filed a lawsuit against the Bank in August 2004 alleging that payments received by the Bank in respect of a loan made to imbau in 1997 and 1998 and in connection with a real estate transaction that was part of the restructuring constituted voidable preferences that should be returned to the insolvent entity. Several bondholders filed a law suit against the Bank in December 2005 seeking damages because of its allegedly unlawful support of Holzmann´s 1999/2000 restructuring. Additionally, Gebema N.V. filed a lawsuit in 2000 seeking damages against the Bank alleging deficiencies in the offering documents based on which Gebema N.V. had invested in equity and convertible bonds of Holzmann in 1998.

Parmalat Litigation

Following the bankruptcy of the Italian company Parmalat, the Special Administrator of Parmalat, Mr. Enrico Bondi, is suing the Bank for damages totaling € 2.199 billion for facilitating the insolvency offence of delaying the filing of a petition in insolvency allegedly committed by Parmalat's former management and supervisory board. There are two separate complaints and they allege that by managing and/or underwriting the issuance of Parmalat bonds in 2003, and entering into certain deri-

vative transactions, Deutsche Bank assisted Parmalat by providing liquidity in order to enable Parmalat to meet its short term liabilities/obligations. It is alleged that Deutsche Bank knowingly helped Parmalat to continue its business for several months until December 2003, despite being aware of the true financial situation that the company was in. Parmalat reserves the right to increase the amount of damages sought. The damages currently requested are, it is claimed, equal to the loss creditors of Parmalat incurred in the second half of 2003.

Also in connection with the Parmalat insolvency, Mr. Bondi has already brought two claw back actions against Deutsche Bank SpA.

Unipol Tender Offer for BNL

Deutsche Bank is a joint advisor to the Italian insurer Unipol (with CSFB and Nomura) in connection with its tender offer for Banca Nazionale del Lavoro (BNL) shares, and also provides a variety of other financial services to it. In July 2005 and subsequently, Deutsche Bank entered into financial transactions with Unipol designed to provide Unipol with the opportunity to acquire approximately 4.99 % of the shares of BNL and to finance these shares. The agreements were all fully disclosed to CONSOB (the Italian financial regulator) and the market in July 2005 as part of Unipol's application for approval of its tender offer for BNL shares, as well as in the prospectuses for Unipol's tender offer and capital increase. CONSOB approved Unipol's prospectus in September 2005.

On December 23, 2005, CONSOB decided that, in its view, the agreements between Unipol and Deutsche Bank could be considered a shareholders' agreement in respect of Unipol's tender offer for BNL's shares. On the basis of CONSOB's decision, Deutsche Bank would be jointly obligated with Unipol and the other parties who have shareholders' agreements with Unipol (including CSFB and Nomura) to make a tender offer for the shares of BNL in an amount of approximately € 855 billion. Unipol has contractually undertaken to take the lead role and to be solely responsible for the tender offer for BNL and to indemnify Deutsche Bank in relation to the tender offer. In the event that Unipol is prevented from proceeding with its tender offer by the Italian regulatory authorities, the consequences for Deutsche Bank (and other parties to shareholders' agreements) are unclear. Each of Deutsche Bank and Unipol has stated publicly that it respectfully disagrees with CONSOB's decision and it reserves its right to appeal the decision. Nevertheless, in order not to delay the tender offer for BNL shares further, Unipol announced that it will increase the price to be paid from € 2.70 to € 2.755 for each acquired share. The latter is the price determined by CONSOB as the highest price paid by Deutsche Bank during the tender offer period.

In addition to CONSOB the Italian prosecutors investigate the agreements between Deutsche Bank and Unipol and the conduct of Deutsche Bank and its employees. Deutsche Bank is confident that it has acted appropriately at all times, in particular because the agreements with Unipol were fully disclosed.

General

Due to the nature of their business, the Bank and its subsidiaries are involved in litigation, arbitration and regulatory proceedings in Germany and in a number of jurisdictions outside Germany, including the United States, arising in the ordinary course of its businesses. Such matters are subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. Although the final resolution of any such matters could have a material effect on the consolidated operating results of the Deutsche Bank Group for a particular reporting period, the Bank believes that it should not materially affect its consolidated financial position.

Third Party Information and Statement by Experts and Declaration of any Interest

Where information has been sourced from a third party, the Bank, the Trust and the Company confirm that to the best of their information, this information has been accurately reproduced and that so far as the Bank, the Trust and the Company are aware and able to ascertain from information published by such third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material U.S. federal income tax consequences relating to an investment in the Trust Preferred Securities. Unless otherwise specifically indicated herein, this summary addresses the material U.S. federal income tax consequences to a beneficial owner of the Trust Preferred Securities (a "Trust Preferred Securityholder") that acquires those securities on their original issue at their original offering price and that is an individual citizen or resident of the United States, a corporation organized in or under the laws of the United States or any state thereof or the District of Columbia or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of the Trust Preferred Securities (a "U.S. Holder").

This summary does not address all tax consequences that may be applicable to a U.S. Holder that is a beneficial owner of the Trust Preferred Securities. In particular, the following discussion does not address (i) persons that may be subject to special treatment or special circumstances under U.S. federal income tax law, such as banks, insurance companies, thrift institutions, regulated investment companies, real estate investment trusts, dealers in securities or currencies, and traders in securities that elect mark-to-market treatment, (ii) persons that will hold Trust Preferred Securities as part of a position in a "straddle" or as part of a "hedging", "conversion" or other integrated investment transaction for federal income tax purposes, (iii) persons whose functional currency is not the United States dollar or (iv) persons that do not hold Trust Preferred Securities as capital assets. This summary is based upon the Internal Revenue Code of 1986, as amended, (the "Code") Treasury Regulations, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions as of the date hereof, all of which are subject to change (possibly with retroactive effect).

This discussion has been written to support the marketing of the Trust Preferred Securities. It was not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. federal income tax penalties. Investors should consult their own tax advisors in determining the tax consequences to them of investing in the Trust Preferred Securities, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

Classification of the Trust

Assuming full compliance with the terms of the Trust Agreement (and certain other transaction documents described herein), the Trust will be classified for United States federal income tax purposes as a grantor trust and not as an association taxable as a corporation. Accordingly, for United States federal income tax purposes, each holder of the Trust Preferred Securities will be considered the owner of an undivided interest in the Trust assets, including the Class B Preferred Securities held by the Trust, and each U.S. Holder will be required to include in its gross income each year its allocable share of Company income in respect of its allocable share of the Class B Preferred Securities. See "– Income from the Class B Preferred Securities" for a description of income in respect of the Class B Preferred Securities.

Tax Treatment of the Company

In purchasing the Trust Preferred Securities, each Trust Preferred Securityholder agrees with the Bank, the Company and the Trustees that the Bank, the Company, the Trustees and the Trust Preferred Securityholders will treat Trust Preferred Securityholders for all purposes as holders of an undivided interest in Trust assets, including the Class B Preferred Securities, and not as holders of an underlying interest in the Bank or in any other person, and the following discussion is based on the assumption that such treatment will apply for U.S. federal income tax purposes. Assuming compliance with the LLC Agreement, the Company will not be taxable as a corporation and will not itself be subject to U.S. federal income tax, but will be treated as a partnership for U.S. federal income tax purposes.

Income from the Class B Preferred Securities

A partnership is not itself a taxable entity. Instead, each partner is required to take into account its allocable share of items of income, gain, loss and deduction of the partnership in computing its U.S. federal income tax liability, regardless of whether distributions are made to the partner. Such income will be treated as if it were realized by the U.S. Holder directly from the same source from which it was realized by the Company. Accordingly, each U.S. Holder will be required to include in gross income its allocable share of Company income in respect of the underlying Class B Preferred Securities. The LLC Agreement will provide that the net income of the Company for each taxable year, exclusive of gains or losses arising from the disposition by the Company of its assets, generally will be allocated on a daily basis, to each underlying Class B Preferred Security (and pro rata among such securities) in an aggregate amount not to exceed the amount of the Capital Payments paid by the Company on the Class B Preferred Securities for such year. Any net income of the Company in excess of the amount allocable to each underlying Class B Preferred Security, and all gains or losses arising from the disposition by the Company of its assets, will be allocated to the holder of the Common Securities.

As discussed above, each U.S. Holder will be required to include in its gross income each year its allocable share of Company income in respect of its allocable share of the Class B Preferred Securities. Regardless of the date on which distributions on the Class B Preferred Securities and the Trust Preferred Securities actually are paid, all amounts allocated to the Trust Preferred Securities owned by a U.S. Holder will be includable in the gross income of that U.S. Holder for its taxable year that includes December 31 of the calendar year in which such distributions are allocated, except that if such U.S. Holder disposes of its entire holding of the Trust Preferred Securities, amounts allocated to it for the calendar year of such disposition will be includable by the U.S. Holder for its taxable year that includes the date of such disposition.

The Company will distribute, on a periodic basis, all of its income that is allocated to the Class B Preferred Securities, and the Trust will make corresponding pro rata distributions to holders of the Trust Preferred Securities. As a consequence, a U.S. Holder will not recognize income in respect of the Trust Preferred Securities without receiving the corresponding cash distribution unless such U.S. Holder sells or otherwise disposes of such Trust Preferred Securities between record dates for distributions on such Trust Preferred Securities. In the case of a sale between record dates, a U.S. Holder will recognize ordinary income in an amount equal to the accrued distribution from the previous record date to the date of such sale or other disposition. The amount included in a U.S. Holder's income on such a sale would increase its basis in the Trust Preferred Securities, which would reduce the gain (or increase the loss) recognized on the sale or other disposition.

The Company intends to take the position that the Initial Obligation and Permitted Investments owned by it are indebtedness for U.S. federal income tax purposes, in which case no portion of the income derived by a U.S. Holder in respect of its allocable share of the underlying Class B Preferred Securities will be eligible for the dividends received deduction generally available to corporations or for lower income tax rates that generally are available to non-corporate taxpayers in respect of certain dividends.

In the case of a U.S. Holder that is a tax-exempt employee's pension trust or other domestic tax-exempt entity, the U.S. Holder's allocable share of the Company's net income will not constitute "unrelated business taxable income" unless the U.S. Holder has borrowed to acquire or carry its Trust Preferred Securities. Under the LLC Agreement, the Company is prohibited from performing any act that would subject any holder of the Trust Preferred Securities to a tax on "unrelated business taxable income."

Disposition of the Trust Preferred Securities

A U.S. Holder will recognize gain or loss on a sale, exchange or other disposition of the Trust Preferred Securities (including the receipt of a distribution solely of cash in redemption of a U.S. Holder's Trust Preferred Securities) in an amount equal to the difference between its adjusted tax basis in the Trust Preferred Securities and the amount realized on the disposition of such Trust Preferred Secu-

rities. Any gain or loss so recognized generally will be capital gain or loss. Long-term capital gains recognized by an individual U.S. Holder in respect of the Trust Preferred Securities held for more than one year generally are subject to taxation at reduced rates.

The Trust Preferred Securities may trade at a price that does not fully reflect the value of accrued but unpaid income that may be allocated to the underlying Class B Preferred Securities. A U.S. Holder that disposes of a Trust Preferred Security will generally be required to include its share of any accrued but unpaid income of the Company allocated to the underlying Class B Preferred Security through the date of disposition of the Trust Preferred Security and to add such amount to the U.S. Holder's adjusted tax basis in such Trust Preferred Security. Accordingly, such a U.S. Holder generally will recognize a capital loss to the extent the selling price (which may not fully reflect the value of accrued but unpaid income of the Company allocated to the U.S. Holder with respect to the underlying Class B Preferred Securities) is less than the U.S. Holder's adjusted tax basis (which generally will include accrued but unpaid income of the Company allocated to the U.S. Holder with respect to the underlying Class B Preferred Securities). Subject to certain limited exceptions, capital losses cannot be applied to offset ordinary income for U.S. federal income tax purposes. Prospective investors should consult their tax advisors in this regard.

A U.S. Holder's adjusted tax basis in Trust Preferred Securities generally will equal the amount paid for the Trust Preferred Securities, increased by the amount of income allocated to such U.S. Holder and reduced by the amount of any cash distributed to such U.S. Holder with respect to the Trust Preferred Securities. A U.S. Holder, who acquires Trust Preferred Securities at different prices may be required to maintain a single aggregate adjusted tax basis in all of his Trust Preferred Securities and, upon sale or other disposition of some of such Trust Preferred Securities, to allocate a pro rata portion of such aggregate tax basis to the Trust Preferred Securities sold (rather than maintaining a separate tax basis in each Trust Preferred Security for purposes of computing gain or loss on a sale of that Trust Preferred Security).

Receipt of the Class B Preferred Securities Upon Liquidation of the Trust

Under certain circumstances, as described under the caption "Description of the Trust Securities – Redemption", Class B Preferred Securities may be distributed to Trust Preferred Securityholders in exchange for their Trust Preferred Securities and in liquidation of the Trust. Unless the liquidation of the Trust occurs as a result of the Trust being subject to U.S. federal income tax with respect to income accrued or received on the Class B Preferred Securities, such a distribution to a U.S. Holder would, for U.S. federal income tax purposes, be treated as a nontaxable event to each U.S. Holder, each U.S. Holder would receive an aggregate tax basis in the Class B Preferred Securities it receives equal to such U.S. Holder's aggregate tax basis in its Trust Preferred Securities, and a U.S. Holder's holding period in the Class B Preferred Securities so received in liquidation of the Trust would include the period during which the Trust Preferred Securities were held by such U.S. Holder. The U.S. Holder of the Class B Preferred Securities would be subject to the same U.S. federal income tax treatment as when it held Trust Preferred Securities, but would hold a partnership interest rather than an interest in a trust. If, however, the liquidation of the Trust were to occur because the Trust is subject to U.S. federal income tax with respect to income accrued or received on the Class B Preferred Securities, the distribution of the Class B Preferred Securities to U.S. Holders by the Trust likely would be a taxable event to each U.S. Holder, and the U.S Holders would recognize gain or loss as if the U.S. Holder had exchanged its Trust Preferred Securities for Class B Preferred Securities it received upon the liquidation of the Trust. Such gain or loss would be equal to the difference between the U.S. Holder's aggregate tax basis in its Trust Preferred Securities surrendered in the exchange and the aggregate fair market value of the Class B Preferred Securities received in the exchange.

Receipt of Cash Upon Liquidation of the Trust

In certain circumstances, as described under the captions "Description of the Trust Securities – Redemption" and "– Liquidation Distribution upon Dissolution," (1) the Class B Preferred Securities may be redeemed for cash and the proceeds of such redemption distributed to Trust Preferred Securityholders in redemption of their Trust Preferred Securities or (ii) the Company may liquidate, in

which case liquidation proceeds paid with respect to the Class B Preferred Securities will be distributed pro rata to Trust Preferred Securityholders upon the liquidation of the Trust. Under current law, such a redemption or liquidation would, for United States federal income tax purposes, constitute a taxable disposition of the Trust Preferred Securities, and a Trust Preferred Securityholder would recognize gain or loss as if it sold such Trust Preferred Securities for cash. See "– Disposition of the Trust Preferred Securities".

Certain Non-U.S. Holders

The Company intends to operate so that it will not be treated as engaged in the conduct of a U.S. trade or business. Moreover, the Company intends to invest in securities that will be exempt from withholding of U.S. federal income tax when income attributable to such securities is distributed or allocated to beneficial holders of the Class B Preferred Securities provided that certification is furnished as described below. Accordingly, payments in respect of Trust Preferred Securities that are beneficially owned by a non-resident alien individual or a foreign corporation (a "Non-U.S. Holder") generally will not be subject to U.S. withholding tax provided that the beneficial owner furnishes a statement signed under penalties of perjury that includes its name and address and certifies that it is a Non-U.S. Holder in compliance with applicable requirements and neither the Trust nor the Paying Agent has actual knowledge or reason to know that the beneficial owner of the Trust Preferred Securities is a U.S. Holder. Provided that the certification requirement is met, a Non-U.S. Holder also generally will not be subject to U.S. federal income tax in respect of its allocable share of the Company's income unless such income is effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States.

Non-U.S. Holders generally will not be subject to U.S. federal income or withholding tax on gain realized on the sale or exchange of the Trust Preferred Securities unless (i) such gain is effectively connected with the conduct by the Non U.S. Holder of a trade or business in the United States or (ii) in the, case of gain realized by an individual Non-U.S. Holder, the Non-U.S. Holder is present in the United States for 183 days or more in the taxable year of the sale and certain other conditions are met.

Information Reporting and Backup Withholding

It is expected that income on the Trust Preferred Securities will be reported to Trust Preferred Securityholders, and may be reported to the IRS, by financial institutions that hold the Trust Preferred Securities on behalf of such Trust Preferred Securityholders on an IRS Form 1099, which form should be mailed to Trust Preferred Securityholders by January 31 following each calendar year. Payments made on and proceeds from the sale of the Trust Preferred Securities also may be subject to U.S. backup withholding unless the beneficial owner of those securities complies with certain identification requirements. In particular, a Non-U.S. Holder of the Trust Preferred Securities may be required to provide the certification described above in order to avoid the application of U.S. backup withholding. Any amounts withheld under the backup withholding rules generally will be allowed as a credit against a holder's United States federal income tax, provided the required information is timely filed with the IRS.

CERTAIN ERISA CONSIDERATIONS

General

Each fiduciary of a pension, profit-sharing or other employee benefit plan subject to the fiduciary responsibility provisions of ERISA (an "ERISA Plan") should consider the fiduciary standards of ERISA in the context of the ERISA Plan's particular circumstances before authorizing an investment in the Trust Preferred Securities. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans, as well as individual retirement accounts, Keogh plans and other plans and arrangements subject to Section 4975 of the Code and any entities whose underlying assets include "plan assets" by reason of any such ERISA Plan's or other account's, plan's or arrangement's investment in the entity (together with ERISA Plans, "Plans"), from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code (together, "Parties in Interest") with respect to such Plans.

A violation of these "prohibited transaction" rules may result in an excise tax or other liabilities under ERISA and/or Section 4975 of the Code for such Parties in Interest, unless exemptive relief is available under an applicable statutory or administrative exemption. In addition, the fiduciary of the Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code.

Employee benefit plans that are foreign plans (as described in Section 4(b)(4) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA) are not subject to the requirements of ERISA or Section 4975 of the Code. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA) are not subject to the requirements of ERISA or Section 4975 of the Code, but may be subject to federal, state or local law that is substantially similar to such provisions of ERISA or the Code ("Similar Law"). Such governmental plans are included in the definition of "Plan" herein.

Plan Assets Regulation

Under a regulation (the "Plan Assets Regulation") issued by the United States Department of Labor (the "DOL"), the assets of both the Trust and the Company would be deemed to be "plan assets" of a Plan for purposes of ERISA and Section 4975 of the Code if "plan assets" of the Plan were used to acquire an equity interest in the Trust and in the Company and no exception were applicable under the Plan Assets Regulation. The Trust and the Company can make no assurances that any such exception will be applicable and, accordingly, the assets of both the Trust and the Company may be treated as assets of a Plan that purchases and holds the Trust Preferred Securities (or Class B Preferred Securities).

Prohibited Transactions

Certain transactions involving the Trust or the Company could be deemed to constitute direct or indirect prohibited transactions under ERISA and Section 4975 of the Code with respect to a Plan if the Trust Preferred Securities (or Class B Preferred Securities) were acquired with "plan assets" of such Plan and assets of the Trust and the Company were deemed to be "plan assets" of Plans investing in the Trust and in the Company (either indirectly through holding Trust Preferred Securities or directly through holding Class B Preferred Securities). For example, if the Bank is a Party in Interest with respect to an investing Plan (either directly or by reason of its ownership of its banking or other subsidiaries), the purchase of the Initial Obligation by the Company may be prohibited by Section 406(a)(1) of ERISA and Section 4975(c)(1) of the Code, unless exemptive relief were available under an applicable administrative exemption. Each investing Plan, by purchasing the Trust Preferred Securities, will be deemed to have (i) directed the Trust to invest in the Class B Preferred Securities, (ii) directed the Company to invest in the Initial Obligation and (iii) adopted the Company's investment policy set

forth in the LLC Agreement regarding Substitute Obligations and Permitted Investments. The Company will make any subsequent reinvestments in accordance with such investment policy, including certain objective investment guidelines, in securities purchased from entities unaffiliated with the Bank or the Company (other than with respect to any Substitute Obligations and certain Permitted Investments). The fiduciary of an investing Plan should determine whether, under these circumstances, transactions involving the assets of the Trust and of the Company – including the investment of the Trust's assets in the Class B Preferred Securities, the investment of the Company's assets in the Initial Obligation and any subsequent transactions made in accordance with the Company's investment policy – would be in compliance with the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Code. As described below, each investing Plan, by purchasing and holding Trust Preferred Securities or Class B Preferred Securities, will be deemed to have represented that one or more exemptions from the prohibited transaction rules is applicable such that the purchase, holding and redemption of the Trust Preferred Securities (or the Class B Preferred Securities) will not constitute or result in a non-exempt prohibited transaction under ERISA, the Code or any Similar Law.

The DOL has issued five prohibited transaction class exemptions ("PTCEs") that may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase, holding or redemption of the Trust Preferred Securities and the Class B Preferred Securities under ERISA and the Code, assuming that assets of the Trust and the Company were deemed to be "plan assets" of Plans investing in the Trust and in the Company. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts), and PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers). There may be similar exemptions from the provisions of Similar Law with respect to governmental plans.

Because the Trust Preferred Securities may be deemed to be equity interests in the Trust and the Class B Preferred Securities may be deemed to be equity interests in the Company for purposes of applying ERISA, Section 4975 of the Code or Similar Law, the Trust Preferred Securities (and Class B Preferred Securities) may not be purchased or held by any Plan or any person investing "plan assets" of any Plan, unless such purchase, holding and any subsequent redemption is eligible for the exemptive relief available under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or similar exemptions from Similar Law. Any purchaser or holder of the Trust Preferred Securities or Class B Preferred Securities or any interest therein will be deemed to have represented by its purchase and holding thereof that on each day that it holds Trust Preferred Securities or Class B Preferred Securities either (a) it is not a Plan and is not purchasing such securities on behalf of or with "plan assets" of any Plan or (b) the purchase, holding and redemption of such securities is exempt by reason of PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or similar exemptions from Similar Law. See "Notice to Investors".

In determining its eligibility for exemptive relief under such prohibited transaction class exemptions or similar exemptions from Similar Law, a purchaser or holder should consider, among other things, (i) the assets of the Trust (i. e., the Class B Preferred Securities), (ii) the assets of the Company (i. e., the Obligations and Permitted Investments), (iii) the fact that Permitted Investments may be purchased from one or more banks or broker-dealers that may be Parties in Interest to an investing Plan, (iv) other transactions involving the Bank and its affiliates contemplated herein and (v) any rights exercisable by the Trust or the Company.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing the Trust Preferred Securities on behalf of or with "plan assets" of any Plan consult with their counsel regarding the potential consequences if the assets of both the Trust and the Company were deemed to be "plan assets" and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14 or similar exemptions from Similar Law.

The sale of any Trust Preferred Securities to a Plan is in no respect a representation by the Trust, the Company, the Bank or the Initial Purchasers that such an investment meets all relevant legal require-

ments with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

PLAN OF DISTRIBUTION, SELLING RESTRICTIONS AND GENERAL INFORMATION

Plan of Distribution

Subject to the terms and conditions to be set forth in the Purchase Agreement, among the Bank, the Company, the Trust and the Initial Purchasers, each Initial Purchaser will agree to purchase, and the Trust will agree to sell the number of Trust Preferred Securities set forth opposite its name below:

Deutsche Bank Securities Inc.	784,000
Barclays Capital Inc.	8,000
Greenwich Capital Markets Inc.	8,000

Under the terms and conditions of the Purchase Agreement, the Initial Purchasers will be committed to take and pay for all shares of the Trust Preferred Securities offered hereby, if any are taken.

The purchase price for the Trust Preferred Securities will be the initial offering price of 100% of the Liquidation Preference Amount per Trust Preferred Security (the "Offering Price"). The Bank, as the holder of the Company Common Security, will pay the Initial Purchasers a combined commission of € 10 per Trust Preferred Security. The Initial Purchasers propose to offer shares of the Trust Preferred Securities at the Offering Price. After the Trust Preferred Securities are released for sale, the Offering Price and other selling terms may from time to time be varied by the Initial Purchasers.

In view of the fact that the proceeds from the sale of the Trust Preferred Securities will be used to purchase the Initial Obligation, the Purchase Agreement provides that the Bank will reimburse the Initial Purchasers for certain expenses of the Offering.

Deutsche Bank Securities Inc. is a wholly-owned subsidiary of the Bank.

The Trust Preferred Securities are a new issue of securities with no established trading market. The Trust, the Company and the Bank have been advised by the Initial Purchasers that they currently intend to make a market in the Trust Preferred Securities. However, the Initial Purchasers are not obligated to do so and any such market making activity will be subject to limits imposed by applicable law and may be interrupted or discontinued at any time without notice.

The Bank and the Company have agreed to indemnify the Initial Purchasers and certain other persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments which the Initial Purchasers and such persons may be required to make as a result of such liabilities.

Each Initial Purchaser has agreed that it will offer or sell Trust Preferred Securities in the United States only to persons whom it reasonably believes are QIBs within the meaning of and in reliance on Rule 144A and in offshore transactions in reliance on Regulation S. Each purchaser of the Trust Preferred Securities offered hereby in making its purchase will be deemed to have made certain representations, warranties and agreements as set forth under "Notice to Investors". Terms used above have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of the Trust Preferred Securities to the public in that Relevant Member State except that it may, with effect from the Relevant Implementation Date, make an offer of Trust Preferred Securities to the public in that Relevant Member State:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than € 43,000,000 and (3) an annual net turnover of more than € 50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Trust Preferred Securities to the public" in relation to any Trust Preferred Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Preferred Securities to be offered so as to enable an investor to decide to purchase or subscribe the Trust Preferred Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each Initial Purchaser has represented and agreed that:

(a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the Trust Preferred Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Trust Preferred Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Trust;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Trust Preferred Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Bank, the Company or the Trust; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Securities Codes

The Trust Preferred Securities were accepted for clearance through DTC (and, in the case of Trust Preferred Securities represented by Regulation S Global Certificates, through Euroclear Bank S.A./N.V., as operator of the Euroclear system, and Clearstream Banking, société anonyme) under the following clearance numbers:

	Restricted Certificate	Regulation S Certificate
CUSIP Number	25153R AA 0	U 2492 RAA 6
ISIN Number	US 25153RAA05	US 2492RAA69
Common Code	024126285	pending

Ratings

The Trust Preferred Securities are expected, on issue, to be assigned ratings of "A" by S&P, "A2" by Moody's and "A+" by Fitch. The ratings for the Trust Preferred Securities are derived from the ratings of the Bank. A rating is not a recommendation to buy, hold or sell securities, and may be subject to revision, suspension or withdrawal at any time by the rating agency.

Moody's defines the A2 rating as denoting bonds that are judged to be upper-medium grade and are subject to low credit risk. The numerical modifier 2 indicates that Moody's ranks the obligation in the mid-range of the A category.

Standard and Poor's defines its A rating as denoting an obligor that has a strong capacity to meet its financial commitments. The A rating is the third-highest category of Standard and Poor's ratings. Standard and Poor's notes that an A rated obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories.

Fitch Ratings defines it's A rating as high credit quality. Fitch Ratings uses the A rating to denote a low expectation of credit risk. According to Fitch Ratings, A-ratings indicate strong capacity for payment of financial commitments. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings. Category A is Fitch Ratings' third-highest rating category. The modifier "+" or "-" may be appended to a rating to denote relative status within major rating categories.

APPENDIX A: SUPPORT UNDERTAKING

This Agreement (the "**Agreement**"), dated January 19, 2006, is entered into between Deutsche Bank Aktiengesellschaft, a German stock corporation, (the "**Bank**") and Deutsche Bank Capital Funding LLC VII, a Delaware limited liability company (the "**Company**").

WITNESSETH:

WHEREAS, the Bank owns the Common Security of the Company;

WHEREAS, pursuant to the LLC Agreement (as defined below), the Company will issue the Class A Preferred Security to the Bank and all of the Class B Preferred Securities to the Trust;

WHEREAS, pursuant to the Trust Agreement (as defined below), the Trust will issue the Trust Preferred Securities with the same terms as, and representing corresponding amounts of, the Class B Preferred Securities;

WHEREAS, the Company intends to use the proceeds from the issuance of the Class B Preferred Securities to purchase subordinated notes of the Bank;

WHEREAS, the Company may from time to time declare capital payments on the Class B Preferred Securities pursuant to and in accordance with the LLC Agreement; and

WHEREAS, the Bank wishes to undertake for the benefit of the Company and the holders of the Class B Preferred Securities that (i) the Bank will maintain direct or indirect ownership of the Class A Preferred Security and the Common Security, (ii) the Company will at all times be in a position to meet its obligations, including its obligation to pay Capital Payments and amounts due upon redemption of the Class B Preferred Securities, including in each case, Additional Amounts thereon, if any, and (iii) in liquidation or dissolution, the Company will have sufficient funds to pay the Liquidation Preference Amounts.

NOW, THEREFORE, the parties agree as follows:

Section 1. *Certain Definitions.*

"Agreement" has the meaning specified in the preamble.

"Bank" has the meaning specified in the preamble.

"**Capital Payments**" mean any capital payments or other distributions at any time after the date hereof declared by the Board of Directors of the Company (or deemed declared in accordance with the LLC Agreement), but not yet paid, on the Class B Preferred Securities.

"**Class A Preferred Security**" means the class of preferred share in the Company designated as Class A.

"**Class B Preferred Securities**" mean the class of preferred securities in the Company designated as Class B, with a liquidation preference amount of $ 1,000 per security.

"**Common Security**" means the common security, without par value, of the Company.

"Company" has the meaning specified in the preamble.

"**Independent Enforcement Director**" means the independent member of the board of directors of the Company appointed by the holders of the Class B Preferred Securities entitled to vote thereon upon the occurrence of certain events in accordance with, and under the terms set forth in, the LLC Agreement.

"**Liquidation Preference Amounts**" mean the stated liquidation preference amounts of the Class B Preferred Securities and any other amounts due and payable under the LLC Agreement upon the voluntary or involuntary liquidation, dissolution, winding up or termination of the Company to the holders of the Class B Preferred Securities.

"**LLC Agreement**" means the limited liability company agreement of the Company dated as of November 15, 2005, as amended and restated as of January 19, 2006 and as the same may be further amended from time to time in accordance with its terms.

"Payment Period" has the meaning set forth in the LLC Agreement.

"**Person**" means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

"**Preferred Securities**" mean the Class A Preferred Security and the Class B Preferred Securities, collectively.

"**Trust**" means Deutsche Bank Capital Funding Trust VII, a Delaware statutory trust established pursuant to a Trust Agreement dated as of November 22, 2005, as amended and restated as of January 19, 2006 and as the same may be further amended from time to time in accordance with its terms.

"**Trust Preferred Securities**" means the Noncumulative Trust Preferred Securities issued by the Trust.

Section 2. *Support Undertaking.*

(a) The Bank undertakes to ensure that the Company will at all times be in a position to meet its obligations, including its obligations to pay Capital Payments and amounts due upon redemption of the Class B Preferred Securities, including in each case, Additional Amounts thereon, if any, and to cause the Company to pay such obligations as and when they become due and payable.

(b) The Bank undertakes to ensure that in the event of any liquidation of the Company, the Company will have sufficient funds to pay the Liquidation Preference Amounts (including accrued and unpaid Capital Payments for the then current Payment Period to the date of liquidation and Additional Amounts, if any).

(c) The obligations of the Bank under this Section 2 will be subordinated to all senior and subordinated debt obligations of the Bank, and will rank *pari passu* with the most senior preference shares of the Bank, if any, and will rank senior to any other preference shares and the common shares of the Bank.

(d) This Agreement shall not constitute a guarantee or undertaking of any kind that the Company will at any time have sufficient assets, or be authorized pursuant to the LLC Agreement, to declare a Capital Payment.

Section 3. *Third Party Beneficiaries and Enforcement of Rights.*

(a) The parties hereto agree that this Agreement is entered into for the benefit of the Company and all current and future holders of the Class B Preferred Securities and that the Company and any holder of any such Securities may severally enforce the obligations of the Bank under Section 2.

(b) The parties hereto acknowledge that, as provided in the LLC Agreement, if a holder of Class B Preferred Securities has given notice to the Company that the Bank has failed to pay any amount then due hereunder and such failure continues for sixty (60) days or more after such notice is given, the holders of the Class B Preferred Securities shall have the right to appoint the Independent Enforcement Director who will be required to enforce the rights of the Company under this Agreement.

Section 4. *No Exercise of Rights.* The Bank will not exercise any right of set-off, counterclaim or subrogation that it may have against the Company as long as any Class B Preferred Securities are outstanding.

Section 5. *Burden of Proof.* Any failure of the Company to pay Capital Payments, or the Liquidation Preference Amounts (or any part thereof), plus, in either case, Additional Amounts, if any, shall constitute prima facie evidence of a breach by the Bank of its obligations hereunder. The Bank shall have the burden of proof that the occurrence of such breach results neither from its negligent nor its intentional misconduct.

Section 6. *No Senior Support to Other Subsidiaries.* The Bank undertakes that it shall not give any guarantee or similar undertaking with respect to, or enter into any other agreement relating to the support or payment of any amounts in respect of any other preference shares (or instruments ranking *pari passu* with or junior to preference shares) of any other affiliated entity that would in any regard rank senior in right of payment to the Bank's obligations under this Agreement, unless the parties hereto modify this Agreement such that the Bank's obligations under this Agreement rank at least *pari passu* with, and contain substantially equivalent rights of priority as to payment as, such guarantee or support.

Section 7. *Continued Ownership of the Class A Preferred Security and the Company Common Security.* The Bank undertakes to maintain direct or indirect ownership of the Class A Preferred Security and the Company Common Security so long as any Class B Preferred Securities remain outstanding.

Section 8. *No dissolution of the Company.* Under the terms of the LLC Agreement and to the fullest extent permitted by law, the Bank shall not permit the Company to be dissolved until all obligations under the Support Undertaking have been paid in full pursuant to its terms.

Section 9. *Modification and Termination.* So long as any Class B Preferred Securities remain outstanding, this Agreement may not be modified or terminated without the consent of 100% of the holders of the Class B Preferred Securities as provided in the LLC Agreement, except for such modifications that are not adverse to the interests of the holders of the Class B Preferred Securities.

Section 10. *No Assignment.* So long as any Class B Preferred Securities remain outstanding, the Bank shall not assign its rights or obligations under this Agreement to any Person without the consent of the holders of such Class B Preferred Securities.

Section 11. *Successors.* This Agreement will be binding upon successors to the parties.

Section 12. *Severability.* Should any provision of this Agreement be found invalid, illegal or unenforceable for any reason, it is to be deemed replaced by the valid, legal and enforceable provision most closely approximating the intent of the parties, as expressed in such provision, and the validity, legality and enforceability of the remainder of this Agreement will in no way be affected or impaired thereby.

Section 13. *Governing Law and Jurisdiction.* This Agreement shall be governed by and construed in accordance with, the laws of the Federal Republic of Germany and the parties irrevocably submit to the non-exclusive jurisdiction of such German courts as have jurisdiction over civil matters arising in Frankfurt am Main.

IN WITNESS WHEREOF, the Bank and the Company have caused this Agreement to be duly executed and delivered by their respective authorized officers as of the date first written above.

DEUTSCHE BANK AKTIENGESELLSCHAFT

By: _____
Name:
Title:

By: _____
Name:
Title:

DEUTSCHE BANK CAPITAL FUNDING LLC VII

By: _____
Name:
Title:

By: _____
Name:
Title:

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PAYING AGENT

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New York
New York 10005

PROPERTY TRUSTEE

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DELAWARE TRUSTEE

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