



U.S. Department of Justice

Tax Division

Washington, D.C. 20530

CDC:TJS:JES:TGVoracek
5-16-4687
2014200695

Michael N. Levy, Esq.
Paul Hastings LLP
875 15th Street, N.W.
Washington, D.C. 20005

Re: Deutsche Bank (Suisse) SA
DOJ Swiss Bank Program – Category 2
Non-Prosecution Agreement

Dear Mr. Levy:

On December 30, 2013, Deutsche Bank (Suisse) SA (“Deutsche Bank Suisse”) submitted a Letter of Intent to participate in Category 2 of the Department of Justice’s Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks, as announced on August 29, 2013 (hereafter “Swiss Bank Program”). This Non-Prosecution Agreement (“Agreement”) is entered into based on the representations of Deutsche Bank Suisse in its Letter of Intent and information provided by Deutsche Bank Suisse pursuant to the terms of the Swiss Bank Program. The Swiss Bank Program is incorporated by reference herein in its entirety in this Agreement.¹ Any violation by Deutsche Bank Suisse of the Swiss Bank Program will constitute a breach of this Agreement.

On the understandings specified below, the Department of Justice will not prosecute Deutsche Bank Suisse for any tax-related offenses under Titles 18 or 26, United States Code, or for any monetary transaction offenses under Title 31, United States Code, Sections 5314 and 5322, in connection with undeclared U.S. Related Accounts held by Deutsche Bank Suisse during the Applicable Period (the “conduct”). Deutsche Bank Suisse admits, accepts, and acknowledges responsibility for the conduct set forth in the Statement of Facts attached hereto as Exhibit A and agrees not to make any public statement contradicting the Statement of Facts. This Agreement does not provide any protection against prosecution for any offenses except as set forth above, and applies only to Deutsche Bank Suisse and does not apply to any other

¹ Capitalized terms shall have the meaning ascribed to them in the Swiss Bank Program.

entities or to any individuals. Deutsche Bank Suisse expressly understands that the protections provided under this Agreement shall not apply to any acquirer or successor entity unless and until such acquirer or successor formally adopts and executes this Agreement. Deutsche Bank Suisse enters into this Agreement pursuant to the authority granted by its Board of Directors in the form of a Board Resolution (a copy of which is attached hereto as Exhibit B).

In recognition of the conduct described in this Agreement and in accordance with the terms of the Swiss Bank Program, Deutsche Bank Suisse agrees to pay the sum of \$31,026,000 as a penalty to the Department of Justice ("the Department"). This shall be paid directly to the United States within seven (7) days of the execution of this Agreement pursuant to payment instructions provided to Deutsche Bank Suisse. This payment is in lieu of restitution, forfeiture, or criminal fine against Deutsche Bank Suisse for the conduct described in this Agreement. The Department will take no further action to collect any additional criminal penalty from Deutsche Bank Suisse with respect to the conduct described in this Agreement, unless the Tax Division determines Deutsche Bank Suisse has materially violated the terms of this Agreement or the Swiss Bank Program as described on pages 5-6 below. Deutsche Bank Suisse acknowledges that this penalty payment is a final payment and no portion of the payment will be refunded or returned under any circumstance, including a determination by the Tax Division that Deutsche Bank Suisse has violated any provision of this Agreement. Deutsche Bank Suisse agrees that it shall not file any petitions for remission, restoration, or any other assertion of ownership or request for return relating to the penalty amount or the calculation thereof, or file any other action or motion, or make any request or claim whatsoever, seeking to collaterally attack the payment or calculation of the penalty. Deutsche Bank Suisse agrees that it shall not assist any others in filing any such claims, petitions, actions, or motions. Deutsche Bank Suisse further agrees that no portion of the penalty that Deutsche Bank Suisse has agreed to pay to the Department under the terms of this Agreement will serve as a basis for Deutsche Bank Suisse to claim, assert, or apply for, either directly or indirectly, any tax deduction, any tax credit, or any other offset against any U.S. federal, state, or local tax or taxable income.

The Department enters into this Agreement based, in part, on the following Swiss Bank Program factors:

(a) Deutsche Bank Suisse's timely, voluntary, and thorough disclosure of its conduct, including:

- how its cross-border business for U.S. Related Accounts was structured, operated, and supervised (including internal reporting and other communications with and among management);
- the name and function of the individuals who structured, operated, or supervised the cross-border business for U.S. Related Accounts during the Applicable Period;
- how Deutsche Bank Suisse attracted and serviced account holders; and
- an in-person presentation and documentation, properly translated, supporting the disclosure of the above information and other information that was requested by the Tax Division;

(b) Deutsche Bank Suisse's cooperation with the Tax Division, including conducting an internal investigation and making presentations to the Tax Division on the status and findings of the internal investigation;

(c) Deutsche Bank Suisse's production of information about its U.S. Related Accounts, including:

- the total number of U.S. Related Accounts and the maximum dollar value, in the aggregate, of the U.S. Related Accounts that (i) existed on August 1, 2008; (ii) were opened between August 1, 2008, and February 28, 2009; and (iii) were opened after February 28, 2009;
- the total number of accounts that were closed during the Applicable Period; and
- upon execution of the Agreement, as to each account that was closed during the Applicable Period, (i) the maximum value, in dollars, of each account, during the Applicable Period; (ii) the number of U.S. persons or entities affiliated or potentially affiliated with each account, and further noting the nature of the relationship to the account of each such U.S. person or entity or potential U.S. person or entity (e.g., a financial interest, beneficial interest, ownership, or signature authority, whether directly or indirectly, or other authority); (iii) whether it was held in the name of an individual or an entity; (iv) whether it held U.S. securities at any time during the Applicable Period; (v) the name and function of any relationship manager, client advisor, asset manager, financial advisor, trustee, fiduciary, nominee, attorney, accountant, or other individual or entity functioning in a similar capacity known by Deutsche Bank Suisse to be affiliated with said account at any time during the Applicable Period; and (vi) information concerning the transfer of funds into and out of the account during the Applicable Period, including (a) whether funds were deposited or withdrawn in cash; (b) whether funds were transferred through an intermediary (including but not limited to an asset manager, financial advisor, trustee, fiduciary, nominee, attorney, accountant, or other third party functioning in a similar capacity) and the name and function of any such intermediary; (c) identification of any financial institution and domicile of any financial institution that transferred funds into or received funds from the account; and (d) identification of any country to or from which funds were transferred; and

(d) Deutsche Bank Suisse's retention of a qualified independent examiner who has verified the information Deutsche Bank Suisse disclosed pursuant to II.D.2 of the Swiss Bank Program.

Under the terms of this Agreement, Deutsche Bank Suisse shall: (a) commit no U.S. federal offenses; and (b) truthfully and completely disclose, and continue to disclose during the term of this Agreement, consistent with applicable law and regulations, all material information described in Part II.D.1 of the Swiss Bank Program that is not protected by a valid claim of privilege or work product with respect to the activities of Deutsche Bank Suisse, those of its parent company and its affiliates, and its officers, directors, employees, agents, consultants, and

others, which information can be used for any purpose, except as otherwise limited in this Agreement.

Notwithstanding the term of this Agreement, Deutsche Bank Suisse shall also, subject to applicable laws or regulations: (a) cooperate fully with the Department, the Internal Revenue Service, and any other federal law enforcement agency designated by the Department regarding all matters related to the conduct described in this Agreement; (b) provide all necessary information and assist the United States with the drafting of treaty requests seeking account information of U.S. Related Accounts, whether open or closed, and collect and maintain all records that are potentially responsive to such treaty requests in order to facilitate a prompt response; (c) assist the Department or any designated federal law enforcement agency in any investigation, prosecution, or civil proceeding arising out of or related to the conduct covered by this Agreement by providing logistical and technical support for any meeting, interview, federal grand jury proceeding, or any federal trial or other federal court proceeding; (d) use its best efforts promptly to secure the attendance and truthful statements or testimony of any officer, director, employee, agent, or consultant of Deutsche Bank Suisse at any meeting or interview or before a federal grand jury or at any federal trial or other federal court proceeding regarding matters arising out of or related to the conduct covered by this Agreement; (e) provide testimony of a competent witness as needed to enable the Department and any designated federal law enforcement agency to use the information and evidence obtained pursuant to Deutsche Bank Suisse's participation in the Swiss Bank Program; (f) provide the Department, upon request, consistent with applicable law and regulations, all information, documents, records, or other tangible evidence not protected by a valid claim of privilege or work product regarding matters arising out of or related to the conduct covered by this Agreement about which the Department or any designated federal law enforcement agency inquires, including the translation of significant documents at the expense of Deutsche Bank Suisse; and (g) provide to any state law enforcement agency such assistance as may reasonably be requested in order to establish the basis for admission into evidence of documents already in the possession of such state law enforcement agency in connection with any state civil or criminal tax proceedings brought by such state law enforcement agency against an individual arising out of or related to the conduct described in this Agreement.

Deutsche Bank Suisse further agrees to undertake the following:

1. The Tax Division has agreed to specific dollar threshold limitations for the initial production of transaction information pursuant to Part II.D.2.b.vi of the Swiss Bank Program, and set forth in subparagraph (c) on page 3 of this Agreement. Deutsche Bank Suisse agrees that, to the extent it has not provided complete transaction information, it will promptly provide the entirety of the transaction information upon request of the Tax Division.
2. Deutsche Bank Suisse agrees to close as soon as practicable, and in no event later than two years from the date of this Agreement, any and all accounts of recalcitrant account holders, as defined in Section 1471(d)(6) of the Internal Revenue Code; has implemented, or will implement, procedures to prevent its employees from assisting recalcitrant account holders to engage in acts of further concealment in connection with closing any account or transferring any funds;

and will not open any U.S. Related Accounts except on conditions that ensure that the account will be declared to the United States and will be subject to disclosure by Deutsche Bank Suisse.

3. Deutsche Bank Suisse agrees to use best efforts to close as soon as practicable, and in no event later than the four-year term of this Agreement, any and all U.S. Related Accounts classified as "dormant" in accordance with applicable laws, regulations and guidelines, and will provide periodic reporting upon request of the Tax Division if unable to close any dormant accounts within that time period. Deutsche Bank Suisse will only provide banking or securities services in connection with any such "dormant" account to the extent that such services are required pursuant to applicable laws, regulations and guidelines. If at any point contact with the account holder(s) (or other person(s) with authority over the account) is re-established, Deutsche Bank Suisse will promptly proceed to follow the procedures described above in paragraph 2.
4. Deutsche Bank Suisse agrees to retain all records relating to its U.S. cross-border business, including records relating to all U.S. Related Accounts closed during the Applicable Period, for a period of ten (10) years from the termination date of the this Agreement.

With respect to any information, testimony, documents, records or other tangible evidence provided to the Tax Division pursuant to this Agreement, the Tax Division provides notice that it may, subject to applicable law and regulations, disclose such information or materials to other domestic governmental authorities for purposes of law enforcement or regulatory action as the Tax Division, in its sole discretion, shall deem appropriate.

Deutsche Bank Suisse's obligations under this Agreement shall continue for a period of four (4) years from the date this Agreement is fully executed. Deutsche Bank Suisse, however, shall cooperate fully with the Department in any and all matters relating to the conduct described in this Agreement, until the date on which all civil or criminal examinations, investigations, or proceedings, including all appeals, are concluded, whether those examinations, investigations, or proceedings are concluded within the four-year term of this Agreement.

It is understood that if the Tax Division determines, in its sole discretion, that: (a) Deutsche Bank Suisse committed any U.S. federal offenses during the term of this Agreement; (b) Deutsche Bank Suisse or any of its representatives have given materially false, incomplete, or misleading testimony or information; (c) the misconduct extended beyond that described in the Statement of Facts or disclosed to the Tax Division pursuant to Part II.D.1 of the Swiss Bank Program; or (d) Deutsche Bank Suisse has otherwise materially violated any provision of this Agreement or the terms of the Swiss Bank Program, then (i) Deutsche Bank Suisse shall thereafter be subject to prosecution and any applicable penalty, including restitution, forfeiture, or criminal fine, for any federal offense of which the Department has knowledge, including perjury and obstruction of justice; (ii) all statements made by Deutsche Bank Suisse's representatives to the Tax Division or other designated law enforcement agents, including but not limited to the appended Statement of Facts, any testimony given by Deutsche Bank Suisse's representatives before a grand jury or other tribunal whether prior to or subsequent to the signing

of this Agreement, and any leads therefrom, and any documents provided to the Department, the Internal Revenue Service, or designated law enforcement authority by Deutsche Bank Suisse shall be admissible in evidence in any criminal proceeding brought against Deutsche Bank Suisse and relied upon as evidence to support any penalty on Deutsche Bank Suisse; and (iii) Deutsche Bank Suisse shall assert no claim under the United States Constitution, any statute, Rule 410 of the Federal Rules of Evidence, or any other federal rule that such statements or documents or any leads therefrom should be suppressed.

Determination of whether Deutsche Bank Suisse has breached this Agreement and whether to pursue prosecution of Deutsche Bank Suisse shall be in the Tax Division's sole discretion. The decision whether conduct or statements of any current director, officer or employee, or any person acting on behalf of, or at the direction of, Deutsche Bank Suisse, will be imputed to Deutsche Bank Suisse for the purpose of determining whether Deutsche Bank Suisse has materially violated any provision of this Agreement shall be in the sole discretion of the Tax Division.

In the event that the Tax Division determines that Deutsche Bank Suisse has breached this Agreement, the Tax Division agrees to provide Deutsche Bank Suisse with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, Deutsche Bank Suisse may respond to the Tax Division in writing to explain the nature and circumstances of such breach, as well as the actions that Deutsche Bank Suisse has taken to address and remediate the situation, which explanation the Tax Division shall consider in determining whether to pursue prosecution of Deutsche Bank Suisse.

In addition, any prosecution for any offense referred to on page 1 of this Agreement that is not time-barred by the applicable statute of limitations on the date of the announcement of the Swiss Bank Program (August 29, 2013) may be commenced against Deutsche Bank Suisse, notwithstanding the expiration of the statute of limitations between such date and the commencement of such prosecution. For any such prosecutions, Deutsche Bank Suisse waives any defenses premised upon the expiration of the statute of limitations, as well as any constitutional, statutory, or other claim concerning pre-indictment delay and agrees that such waiver is knowing, voluntary, and in express reliance upon the advice of Deutsche Bank Suisse's counsel.

It is understood that the terms of this Agreement do not bind any other federal, state, or local prosecuting authorities other than the Department. If requested by Deutsche Bank Suisse, the Tax Division will, however, bring the cooperation of Deutsche Bank Suisse to the attention of such other prosecuting offices or regulatory agencies.


It is further understood that this Agreement and the Statement of Facts attached hereto may be disclosed to the public by the Department and Deutsche Bank Suisse consistent with Part V.B of the Swiss Bank Program.

This Agreement supersedes all prior understandings, promises and/or conditions between the Department and Deutsche Bank Suisse. No additional promises, agreements, and conditions have been entered into other than those set forth in this Agreement and none will be entered into unless in writing and signed by both parties.

UNITED STATES DEPARTMENT OF JUSTICE
TAX DIVISION


CAROLINE D. CIRAOLO
Acting Assistant Attorney General


11/24/2015
Date


THOMAS J. SAWYER
Senior Counsel for International Tax Matters

24 November 2015
Date

FOR 
JOHN E. SULLIVAN
Senior Litigation Counsel

November 24, 2015
Date



THOMAS G. VORACEK
Trial Attorney

November 24, 2015
Date


AGREED AND CONSENTED TO:
DEUTSCHE BANK (SUISSE) SA

By: 
MARCO BIZZOZERO
Chief Executive Officer
Deutsche Bank (Suisse) SA

23 Nov. 2015
Date

By: 
WOLFRAM LANGE
Member of the Executive Management Board
Deutsche Bank (Suisse) SA

23 Nov 2015
Date

APPROVED:

MICHAEL N. LEVY, ESQ.
Paul Hastings LLP
Counsel for Deutsche Bank (Suisse) SA

November 23, 2015
Date

**EXHIBIT A TO DEUTSCHE BANK (SUISSE) SA
NON-PROSECUTION AGREEMENT**

STATEMENT OF FACTS

INTRODUCTION

1. Deutsche Bank (Suisse) SA (“Deutsche Bank Suisse” or the “Bank”) is a financial institution headquartered in Geneva, Switzerland, with additional offices in Zurich and Lugano, and is part of the Deutsche Bank Group. Following its establishment in 1980, the Bank expanded its banking operations through a series of acquisitions and mergers, including most recently with Bank Sal Oppenheim in 2013.
2. Deutsche Bank Suisse provides private wealth management services to clients based primarily in Europe, Latin America, Asia, the Middle East, and Africa. The Bank also provides traditional banking services, such as cash accounts or credit facilities, to clients in these same markets.
3. Deutsche Bank Suisse has not marketed and does not market its services in the United States. The Bank has never had a desk dedicated to the U.S. market or any private bankers, or “relationship managers,” responsible for soliciting U.S.-based clients. The Deutsche Bank Group has affiliates in the United States dedicated to serving the U.S. market.
4. During the Applicable Period,¹ the Bank’s total assets under management had a maximum value of approximately \$49.7 billion, including 1,072 U.S. Related Accounts with an aggregate maximum value of approximately \$7.65 billion. Of these U.S. Related Accounts, 506 accounts with an aggregate maximum value of \$986 million (including assets of declared accounts) had U.S. beneficial owners. This latter figure represents approximately two percent of the Bank’s total assets under management.

U.S. INCOME TAX & REPORTING OBLIGATIONS

5. U.S. citizens, resident aliens, and legal permanent residents have an obligation to report all income earned from foreign bank accounts on their tax returns and to pay the taxes due on that income. Since tax year 1976, U.S. citizens, resident aliens, and legal permanent residents have had an obligation to report to the Internal Revenue Service (“IRS”) on the Schedule B of a U.S. Individual Income Tax Return, Form 1040, whether that individual had a financial interest in, or signatory authority for, a financial account in a foreign country in a particular year by checking “Yes” or “No” in the appropriate box and identifying the country where the account was maintained.
6. Since 1970, U.S. citizens, resident aliens, and legal permanent residents who have had a financial interest in, or signatory authority for, one or more financial accounts in a foreign

¹ Capitalized terms not otherwise defined in this Statement of Facts have the meanings set forth in the Program for Non-Prosecution Agreements or Non-Target Letters for Swiss Banks, issued on August 29, 2013 (the “Swiss Bank Program”).

country with an aggregate value of more than \$10,000 at any time during a particular year were required to file with the Department of the Treasury a Report of Foreign Bank and Financial Accounts, FinCEN Form 114 (the "FBAR," formerly known as Form TD F 90-22.1). The FBAR was due on June 30 of the following year.

7. An "undeclared account" was a financial account owned by an individual subject to U.S. tax, maintained in a foreign country, and that had not been reported by the individual account owner to the U.S. government on an income tax return, FBAR, or otherwise.
8. Since 1935, Switzerland has maintained criminal laws that ensure the secrecy of client relationships at Swiss banks. While Swiss law permits the exchange of information in response to administrative requests made pursuant to a tax treaty with the United States and certain legal requests in cases of tax fraud, Swiss law otherwise prohibits the disclosure of identifying information without client authorization. Because of the secrecy guarantee that they created, these Swiss criminal provisions have been misused by some U.S. clients to conceal their Swiss bank accounts from U.S. authorities.
9. In or about 2008, Swiss bank UBS publicly announced that it was the target of a criminal investigation by the IRS and the U.S. Department of Justice ("Department") and that it would be exiting and no longer accepting certain U.S. clients. On February 18, 2009, the Department and UBS filed a deferred prosecution agreement in the U.S. District Court for the Southern District of Florida, in which UBS admitted that its cross-border banking business used Swiss privacy law to aid and assist U.S. clients in opening and maintaining undeclared assets and income from the IRS. Since UBS, several other Swiss banks have publicly announced that they were or are the targets of similar criminal investigations and that they would likewise be exiting and not accepting certain U.S. clients. These cases have been closely monitored by banks operating in Switzerland, including Deutsche Bank Suisse, since at least August of 2008.

THE BANK'S QUALIFIED INTERMEDIARY AGREEMENT AND ITS ROLE IN NON-COMPLIANT U.S. RELATED ACCOUNTS

10. In 2001, Deutsche Bank Suisse entered into a Qualified Intermediary ("QI") Agreement with the IRS. The QI regime provided a comprehensive framework for U.S. information reporting and tax withholding by non-U.S. financial institutions regarding U.S. securities. The QI Agreement was designed to ensure that, with respect to U.S. securities held in an account at the Bank, non-U.S. persons were subject to proper U.S. withholding tax rates and that U.S. persons properly paid U.S. tax.
11. The QI Agreement accepted that Swiss banks were prohibited by Swiss law from disclosing the identities of account holders. If an account holder wished to trade in U.S. securities without being subjected to mandatory U.S. tax withholding, the account holder's bank was required to obtain the consent of the account holder to disclose his or her identity to the IRS.

12. However, after signing its QI Agreement, Deutsche Bank Suisse continued to service certain U.S. customers without disclosing their identity to the IRS and without regard for the impact of U.S. criminal law on that decision.

OVERVIEW OF BUSINESS WITH U.S. RELATED ACCOUNTS

13. Because Deutsche Bank Suisse's business focused on non-U.S. markets, accounts held by U.S. persons were a small part of Deutsche Bank (Suisse) SA's overall business. To the extent the Bank had U.S. clients, they generally came through the Bank's non-U.S. lines of business.
14. During the Applicable Period, 240 relationship managers managed at least one U.S. Related Account at Deutsche Bank Suisse, although only 14 relationship managers had more than 15 U.S. Related Accounts during that time. The relationship managers served as the primary contact persons for the Bank's U.S. clients or their advisors.
15. Prior to October 2008, the Bank's position was that it could service a U.S. client without reporting the U.S. taxpayer's interest in the account to the IRS so long as (a) it prohibited the account holder from trading in U.S. securities or (b) the account was an account nominally structured in the name of a non-U.S. entity accompanied by an IRS Form W-8BEN (or equivalent bank document).
16. In the latter circumstances, U.S. clients, with the assistance of their external advisors, would create an entity, such as a Liechtenstein foundation, Panamanian corporation, or British Virgin Islands corporation, and pay a fee to third parties to act as corporate directors. Those third parties, at the direction of the U.S. client, would then open a bank account at Deutsche Bank Suisse in the name of the entity or transfer funds from a pre-existing account from another bank. On one or more occasion, Deutsche Bank Suisse employees provided prospective U.S. clients with referrals to external advisors who could assist with the creation and management of such an entity. In addition, in some instances, the Bank made insufficient efforts to determine whether such an entity was valid for U.S. tax purposes.
17. In certain cases involving a non-U.S. entity, Deutsche Bank Suisse was aware that a U.S. client was the true beneficial owner of the account. Despite this, the Bank would sometimes obtain from the entity's directors an IRS Form W-8BEN (or equivalent bank document) that falsely declared that the beneficial owner was not a U.S. taxpayer. In some of these cases, Deutsche Bank Suisse permitted the accounts to trade in U.S. securities without reporting account earnings or transmitting withholding taxes to the IRS, as required by the QI Agreement.
18. During the Applicable Period, Deutsche Bank Suisse maintained and serviced at least 71 accounts beneficially owned by U.S. taxpayers that were held by entities created in countries such as Liechtenstein, Liberia, Panama, and the British Virgin Islands, some of which were operated by the U.S. beneficial owners in violation of corporate governance provisions. At least 19 of these accounts had false IRS Forms W-8BEN (or equivalent bank document) in the file.

19. Deutsche Bank Suisse was aware that U.S. taxpayers had a legal duty to report to the IRS—and pay taxes on—all their worldwide income, including income earned from accounts maintained in Switzerland. Despite being aware of this legal duty, the Bank failed to ensure that its U.S. clients were abiding by that duty when it accepted them as customers and failed to investigate in situations in which the Bank had evidence indicating that its customers were using their accounts to evade their U.S. tax obligations.
20. Deutsche Bank Suisse also offered a variety of services, and permitted some practices, that it knew could and did assist U.S. taxpayers in concealing assets and income from the IRS. For example, the Bank:
- Accepted Forms W-8BEN wherein clients falsely stated, under the penalties of perjury, that certain offshore entities beneficially owned the assets in the accounts;
 - Serviced some accounts held in the name of offshore entities without strict adherence to corporate formalities, and, with respect to some entity accounts, such structures were operated by the U.S. beneficial owners, in violation of corporate governance provisions;
 - Offered clients, including U.S. clients with undisclosed accounts, a services option to “hold mail” at the Bank. For a fee, the Bank would hold the account statements and other account-related correspondence of certain U.S. clients, including those residing in the United States or having a U.S. mailing address, at its offices in Switzerland, instead of sending the documents to its clients in the United States, thereby causing documents reflecting the existence of undeclared accounts to remain outside the United States;
 - Followed instructions that accounts beneficially owned by U.S. taxpayers not hold U.S. securities, which otherwise would require disclosure to the IRS;
 - Provided certain U.S. beneficial owners with debit cards linked to accounts held at the Bank, or credit cards whose balances the U.S. beneficial owners instructed the Bank to pay from accounts held at the bank. Use of these cards by U.S. taxpayers facilitated their access to or use of undeclared funds on deposit at the Bank; and
 - Processed cash withdrawals from accounts beneficially owned by U.S. taxpayers notwithstanding the fact that such withdrawals likely would be concealed from U.S. taxing authorities. In certain instances, the Bank processed standing orders for checks in amounts less than \$10,000 to be sent on a monthly basis into the United States, and in at least two instances those checks were issued to the U.S. beneficial owners from accounts held in the name of Liechtenstein foundations.
21. Deutsche Bank Suisse also maintained and serviced certain accounts for which the Bank had access to specific information about the undeclared status of these accounts. Deutsche Bank Suisse has identified at least five banking relationships for which the

Bank (a) knew or had strong reason to know prior to the Applicable Period that a client was a U.S. person, (b) knew or had strong reason to know prior to the Applicable Period that the client's assets were not declared to U.S. tax authorities, (c) concluded, as part of its review pursuant to the Program, that the client was not, in fact, fully U.S. tax compliant during the Applicable Period, and (d) did not take action prior to the start of the Applicable Period either to terminate the client relationship or to require additional documentation to demonstrate U.S. tax compliance.

22. For example, in connection with two banking relationships, notes written by Deutsche Bank Suisse employees on hold mail forms prior to the Applicable Period explained that the client's mail was not delivered or picked up because the client resided in the United States and his or her account was "not declared."
23. With respect to other client relationships, Deutsche Bank Suisse employees likewise knew or had strong reason to know, prior to the Applicable Period, that account holders or beneficial owners with dual citizenship were not U.S. tax compliant yet knowingly maintained and continued to service these accounts after the Applicable Period commenced.
24. As a result of these actions, from at least August 2008 through August 2013, Deutsche Bank Suisse enabled some U.S. taxpayers to evade their U.S. tax and filing obligations, resulting in the filing of false income tax returns with the IRS and allowing U.S. taxpayers to hide offshore assets from the IRS.

MITIGATING FACTORS

25. In August 2008, as part of a broader effort to enact policy initiatives that would apply globally to all Deutsche Bank Group businesses engaged in cross-border private wealth management business, Deutsche Bank AG enacted a Global Private Wealth Management – U.S. Person Policy ("Global U.S. Person Policy"). Published formally in October 2008, the Global U.S. Person Policy applied to all private wealth management divisions of the Deutsche Bank Group operating outside of the United States, including Deutsche Bank Suisse.
26. The Global U.S. Person Policy barred investment relationships with U.S. residents and required all U.S. persons to submit an IRS Form W-9 in order to do business with Deutsche Bank entities outside the United States. Following the enactment of the Global U.S. Person Policy, Deutsche Bank Suisse management hosted town hall meetings and issued guidance to introduce the policy and other cross-border compliance efforts. The Global U.S. Person Policy was included in training sessions, both with all incoming new hires as well as mandatory bank-wide training for all employees.
27. Consistent with the Global U.S. Person Policy, the Bank did not seek to increase its assets under management by soliciting U.S. account holders at other Swiss banks that were closing or limiting their U.S. offshore business. Rather, in 2009, Deutsche Bank Suisse undertook specific remediation efforts with respect to accounts held or owned by U.S. persons to ensure that existing accounts complied with the Global U.S. Person

Policy. This remediation project built upon earlier efforts that were initiated in 2007 to ensure that the account files of U.S. residents were documented properly with a Form W-9. Following local implementation of the Global U.S. Person Policy, the Bank, including specifically assigned relationship managers, sought a new Form W-9 from all clients who previously had declared themselves as U.S. persons on the Declaration U.S. Person/Non-U.S. Person form, and, where clients refused to provide a Form W-9, the Bank informed clients that their accounts must be closed. The Bank referred to this as the "regularize or leave" efforts.

28. Pursuant to the Bank's "regularize or leave" and other efforts related to accounts held by U.S. persons, between August 1, 2008, and December 31, 2012, the Bank closed 381 accounts held or beneficially owned by U.S. persons with total assets under management of \$523.2 million as of each account's penalty date. All told, during the Applicable Period, the Bank has closed approximately 441 accounts held or beneficially owned by U.S. persons, totaling approximately \$589 million in assets under management as of each account's penalty date.
29. Deutsche Bank Suisse has cooperated fully with the Department of Justice during its participation in the Program. Working through a team that included executive-level management at the Bank, Deutsche Bank Suisse engaged U.S. and Swiss counsel, as well as forensic accounting experts, to identify and collect data and information regarding the Bank's U.S. Related Accounts, to conduct an internal review to examine the Bank's conduct in relation to such accounts, and otherwise to facilitate the Bank's participation in the Program.
30. Throughout its participation in the Program, Deutsche Bank Suisse has made to the U.S. government timely and comprehensive disclosures regarding its business with U.S. persons. In compliance with Swiss bank secrecy and data privacy laws, the Bank:
 - a. conducted an internal investigation that included, but was not limited to: (i) interviews of relationship managers and members of management; (ii) review of account files; (iii) review of emails; and (iv) review of applicable policies, procedures, and compliance training materials;
 - b. provided a comprehensive and detailed in-person presentation, with accompanying documentation, regarding the findings of its internal investigation and how the Bank structured, operated, and supervised its cross-border business;
 - c. assisted and agreed to continue to assist U.S. authorities in preparing treaty requests to the Swiss competent authority for account records of U.S. clients, including by identifying accounts that may meet the standard for information exchange under an applicable treaty; and
 - d. provided on a rolling basis, and prior to the execution of its Non-Prosecution Agreement, aggregate and account-level information related to U.S. Related Accounts that were closed during the Applicable Period.

31. Deutsche Bank Suisse organized a specialized team and devoted significant resources to contact current and former clients with U.S. Related Accounts to verify that these clients' accounts were disclosed to U.S. tax authorities or, if a client's account had not been disclosed to U.S. tax authorities, to encourage the client to participate in a voluntary disclosure program sponsored by U.S. tax authorities. Many of these former clients had left or were asked to leave the Bank years ago, as a result of the Bank's "regularize or leave" efforts regarding business with U.S. persons during the Applicable Period. As a result of the Bank's efforts, many of the Bank's former clients entered a voluntary disclosure program and paid back taxes, penalties, and interest in connection with failing to report their undeclared accounts. Deutsche Bank Suisse also obtained banking secrecy waivers voluntarily from many of its former clients and provided their names to the U.S. government.

EXHIBIT B TO NON-PROSECUTION AGREEMENT
RESOLUTION OF THE BOARD OF DIRECTORS OF
DEUTSCHE BANK (SUISSE) SA

At a duly held meeting held on 23 November 2015, the Board of Directors (the "Board") of Deutsche Bank (Suisse) SA (the "Company") resolved as follows:

WHEREAS, the Company has been engaged in discussions with the United States Department of Justice (the "DOJ") regarding certain issues arising out of, in connection with, or otherwise relating to the conduct of its U.S. cross-border business;

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain non-prosecution agreement with the DOJ (the "Agreement"); and

WHEREAS, the Company's U.S. and Swiss counsel have advised the Board of Directors of the Company's rights, possible defenses, and the consequences of entering into the Agreement;

This Board hereby RESOLVES that:

1. The Board of the Company has reviewed the entire Agreement attached hereto, including the Statement of Facts attached as Exhibit A to the Agreement, consulted with Swiss and U.S. counsel in connection with this matter and voted to enter into the Agreement, including to pay a sum of \$ 31,026,000 to DOJ in connection with the Agreement;
2. Any of Marco Bizzozero and Wolfram Lange, with joint signature by two (the "Authorized Signatories"), are hereby authorized on behalf of the Company to execute the Agreement substantially in such form as reviewed by this Board with such non-material changes as the Authorized Signatories may approve;
3. The Board hereby authorizes, empowers and directs the Authorized Signatories to take, on behalf of the Company, any and all actions as may be necessary or appropriate, and to approve and execute the forms, terms or provisions of any agreement or other document, as may be necessary or appropriate to carry out and effectuate the purpose and intent of the foregoing resolutions; and
4. All of the actions of the Authorized Signatories of the Company, are hereby severally ratified, confirmed, approved and adopted as actions on behalf of the Company.

IN WITNESS WHEREOF, the Board of Directors of the Company has executed this Resolution.


Michele Falssolo, Chairman of the Board


Nikolaus-Von Tippelskirch, Member of the Board