



## INTRODUCTION

1. This is a securities class action on behalf of all persons who purchased or otherwise acquired the ordinary shares of Deutsche Bank AG (“Deutsche Bank” or the “Company”) between January 3, 2007 and January 16, 2009 (the “Class Period”), against Deutsche Bank and certain of its officers and/or directors for violations of the Securities Exchange Act of 1934 (“1934 Act”).

2. Deutsche Bank is a global investment bank. The Company offers a range of investment, financial and related products and services to private individuals, corporate entities and institutional clients worldwide. Deutsche Bank has three divisions: Corporate and Investment Bank (“CIB”), Corporate Banking and Securities (“CB&S”), and Private Clients and Asset Management (“PCAM”). Deutsche Bank is based in Frankfurt, Germany, with branch offices in the United States and around the globe. The Company’s shares are listed on the New York Stock Exchange (“NYSE”).

3. During the Class Period, defendants issued materially false and misleading statements regarding the Company’s business and financial results. Defendants concealed the Company’s failure to write down impaired securities containing mortgage-related debt. In fact, Deutsche Bank and its mortgage origination subsidiary were intentionally disregarding findings that residential mortgage loans did not comply with underwriting guidelines. Deutsche Bank was then transferring many of these assets to unknowing third parties. As a result of defendants’ false statements, Deutsche Bank shares traded at artificially inflated prices during the Class Period, reaching a high of \$159.59 per share in May 2007.

4. Later, Deutsche Bank’s shares declined as it reported billions of dollars in losses, many of which were directly or indirectly related to mortgage-backed securities. Recently, the U.S. Department of Justice (“DOJ”) sued Deutsche Bank for misrepresentations about its mortgage loans.

The suit seeks as much as \$1 billion from Deutsche Bank. On May 4, 2011, *The Wall Street Journal* published an article about the suit. The headline blared:

## **U.S. Says Deutsche Bank Lied**

### *Suit Accuses Lender of Misrepresenting Quality of Loans Made by Mortgage Unit*

5. The article stated that the DOJ accused Deutsche Bank of “recklessly” lying about the quality of loans.

#### **OVERVIEW**

6. On January 3, 2007, Deutsche Bank purchased MortgageIT Holdings, Inc. (“MortgageIT”), a residential lender. MortgageIT became a wholly-owned subsidiary of Deutsche Bank. MortgageIT was an aggressive lender, leading to billions of dollars of loans where ultimately the borrowers could not pay.

7. Throughout the Class Period, defendants assured shareholders and analysts that they were “comfortable” with their mortgage exposure and that adequate loss provisions had been taken.

8. On April 29, 2008, Deutsche Bank issued its financial results for the first quarter of 2008, which included some charges for losses but also falsely assured investors about the direction of the Company. The release stated in part:

Dr. Josef Ackermann, Chairman of the Management Board, said: “In the first quarter of this year, financial market conditions were the most difficult in recent memory. In the month of March, pressure on the banking sector was more intense than at any time since the current credit downturn began. Inevitably, this left its mark on Deutsche Bank’s results. Nevertheless, relative to the environment and the industry, this is a solid performance.”

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*We re-affirm our strategy and our business model.* Our integrated ‘one bank’ approach has proven its worth and is essential to our success and our ability to create value for our shareholders. We have captured market share in some important

areas. The fundamental trends shaping our operating environment are unchanged, and *Deutsche Bank is very well-positioned to emerge stronger than ever from a recovery* in business conditions. We are equally determined to meet near-term challenges, and to take advantage of longer-term opportunities.”

9. On May 29, 2008, *Thomson Financial News* published an article entitled “Deutsche Bank CEO says uncertainty remains over banks’ further mark-downs,” which stated in part:

Deutsche Bank AG chief executive Josef Ackermann said the extent to which banks have to book further mark-downs as a result from the financial markets crisis remains uncertain.

“Uncertainty remains as to how much the financial crisis will impact global economic growth over the next few months,” he said during the German bank’s annual general meeting, according to a script handed out before he started to speak.

“Nonetheless, I do believe we are seeing the beginning of the end of the crisis,” he said.

Deutsche Bank posted a net loss of 141 million euros for the first quarter and scrapped its previous full-year underlying pretax profit target of 8.4 billion euros due to the continuing uncertainty.

“We will be doing our best to smooth out this small dip in the curve at the beginning of the year,” he said.

Ackermann did not comment further on the bank’s targets for the year.

Regarding the German banking industry, Ackermann said that “if a consolidation of banks in Germany should really take place, for instance, we will not stand on the sidelines.”

10. On October 30, 2008, Deutsche Bank announced its third quarter 2008 financial results in a press release that stated in part:

Deutsche Bank today reported net income of EUR 414 million, versus EUR 1.6 billion in the third quarter 2007. Earnings per share on a diluted basis were EUR 0.83 for the third quarter 2008, versus EUR 3.31 per share in the prior year quarter. Income before income taxes was EUR 93 million, versus EUR 1.4 billion in the prior year quarter. Mark-downs of EUR 1.2 billion were recorded on leveraged loans and loan commitments, *residential mortgage-backed securities*, monoline insurers, commercial real estate and on available for sale positions. The Tier 1 capital ratio, reported under Basel II, was 10.3%, versus 9.3% at the end of the second quarter 2008.

11. Deutsche Bank's third quarter 2008 release showed that Deutsche Bank's investment-banking unit reported a third straight quarterly pretax loss of €789 million. Deutsche Bank booked write-downs of €1.2 billion on leveraged buyouts, residential mortgage-backed securities, assets secured by bond insurers and commercial real estate.

12. Deutsche Bank's subprime market-related losses were pegged by *Bloomberg* on November 12, 2008 at \$11.6 billion.

13. On November 13, 2008, Deutsche Bank issued a press release entitled "Deutsche Bank treasury stock inventory below 3 percent," which stated in part:

Deutsche Bank today announced in the form of a compulsory notification pursuant to the German Securities Trading Act that on 10 November 2008 the holdings of its own shares fell below the threshold of 3 per cent and is now 2.9 per cent.

14. On November 24, 2008, a letter to Deutsche Bank employees was made public. In the letter Josef Ackermann told employees he expected a "substantial rise" in defaults among companies and households. In a *Bloomberg* television interview, Deutsche Bank Group Executive Committee member Juergen Fitschen stated that more provisions would be necessary for bad loans.

15. In December 2008, Deutsche Bank made the following announcement regarding its MortgageIT subsidiary:

Deutsche Bank has made the difficult decision to close the MortgageIT US Wholesale Lending Division. MortgageIT will cease accepting new business as of December 11th and focus on existing business . . . .

16. On January 14, 2009, Deutsche Bank issued an update on its fourth quarter 2008 performance. The release stated:

Deutsche Bank today announced, on a preliminary and unaudited basis, key elements of its fourth quarter 2008 financial performance:

**Fourth-quarter loss:** The bank currently anticipates a loss after taxes in the region of EUR 4.8 billion for the fourth quarter 2008. This development reflects exceptional market conditions, which severely impacted results in the sales and

trading businesses, most notably in Credit Trading including its proprietary trading business, Equity Derivatives and Equities Proprietary Trading. The result also reflects exposure reduction and other de-risking measures, a significant increase in provisions against certain of our monocline counterparties, and certain other exceptional gains and charges, including reorganisation charges. In Asset and Wealth Management, the bank anticipates a fourth quarter loss driven by an impairment charge on intangible assets related to DWS Scudder and substantial injections into money market funds. For the full year 2008, the bank currently anticipates a loss after tax in the region of EUR 3.9 billion.

17. On January 16, 2009, Fitch Ratings placed Deutsche Bank's AA- rating on Rating Watch Negative following the Company's fourth quarter 2008 performance update.

18. On this news, Deutsche Bank shares fell to close at \$21.27 per share on January 20, 2009 (the next trading day) – a decline of more than 86% from their Class Period high of \$159.59 in May 2007.

19. These disclosures confirmed Deutsche Bank's problems in the residential mortgage business and caused harm to investors. However, investors were not yet in position to understand the intentional conduct which had caused these issues.

20. Ultimately, on May 3, 2011, the DOJ sued Deutsche Bank for intentional and reckless conduct with respect to its mortgage operations, alleging, among other things:

- Deutsche Bank and MortgageIT lied to maintain MortgageIT's direct endorsement lender status.
- Contrary to the representations made by Deutsche Bank and MortgageIT, Deutsche Bank and MortgageIT failed to implement a quality control plan complying with Department of Housing and Urban Development ("HUD") rules. Rather, Deutsche Bank and MortgageIT continually failed to implement basic quality control principles.
- MortgageIT failed to review all early payment defaults as mandated by HUD rules.
- MortgageIT contracted with an outside vendor, Tena Companies, Inc. ("Tena"), to conduct quality control reviews of closed Federal Housing Administration ("FHA") insured loans.

- As noted above, those reviews did not include early payment defaults because MortgageIT failed to identify early payment defaults to Tena.
- No one at MortgageIT read any of the Tena findings letters as they arrived in 2004.
- Instead, MortgageIT employees stuffed the letters, unopened and unread, in a closet in MortgageIT's Manhattan headquarters.
- Deutsche Bank and MortgageIT chronically understaffed quality control.
- MortgageIT failed to comply with its basic quality control obligations, including its obligation to address serious quality problems when they arose, and to report suspected mortgage fraud to HUD. Instead, MortgageIT – including upper management at MortgageIT – knowingly, wantonly, and recklessly permitted egregious underwriting violations to continue unabated. These failures caused the government millions of dollars in losses.

21. The true facts, which were known by the defendants but concealed from the investing public during the Class Period, were as follows:

(a) Defendants failed to record adequate provisions for losses on the deterioration in mortgage assets and collateralized debt obligations (“CDOs”) on Deutsche Bank’s books caused by the high amount of non-collectible mortgages included in the Company’s portfolio;

(b) Deutsche Bank’s MortgageIT subsidiary was issuing and had issued billions of dollars of mortgage loans which did not comply with stated lending practices, leading to thousands of defaults;

(c) Deutsche Bank’s internal controls were inadequate to ensure that losses on residential mortgage-related assets were accounted for properly; and

(d) Deutsche Bank had transferred billions of dollars in defaulting, or soon-to-default, mortgages to unwitting investors and government programs due to its disregard of adverse findings by outside consultants.

22. As a result of defendants’ false statements, Deutsche Bank shares traded at inflated prices during the Class Period. However, after the above revelations seeped into the market, the

Company's shares were hammered by massive sales, sending them down more than 86% from their Class Period high.

### **JURISDICTION AND VENUE**

23. Jurisdiction is conferred by §27 of the 1934 Act. The claims asserted herein arise under §§10(b) and 20(a) of the 1934 Act and SEC Rule 10b-5.

24. Venue is proper here pursuant to §27 of the 1934 Act and 28 U.S.C. §1391(b). Many of the false and misleading statements were made in or issued from this District. Deutsche Bank has offices in this District and many of the acts and transactions giving rise to the violations of law complained of occurred here.

25. In connection with the acts alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

### **THE PARTIES**

26. Plaintiff IBEW Local 90 Pension Fund purchased Deutsche Bank shares as described in the attached certification and was damaged thereby.

27. Defendant Deutsche Bank is a global investment bank. The Company offers financial products and services for corporate and institutional clients along with private and business clients. Services include sales, trading and origination of debt and equity, risk management products such as derivatives, corporate finance, wealth management, retail banking, fund management and transaction banking. Deutsche Bank is headquartered in Frankfurt, Germany, and has branch offices in the United States and around the globe.

28. Defendant Josef Ackermann ("Ackermann") is, and at all relevant times was, Chief Executive Officer ("CEO") and Chairman of the Group Executive Committee of Deutsche Bank.

29. Defendant Clemens Börsig (“Börsig”) is, and at all relevant times was, Chairman of the Supervisory Board of Deutsche Bank.

30. Defendant Hugo Bänziger (“Bänziger”) is, and at all relevant times was, a member of the Management Board, Chief Risk Officer and a member of the Group Executive Committee of Deutsche Bank.

31. Defendant Anthony Di Iorio (“Di Iorio”) was a member of the Management Board, Chief Financial Officer (“CFO”) and a member of the Group Executive Committee of Deutsche Bank until he retired from Deutsche Bank on October 1, 2008.

32. Defendants Ackermann, Bänziger, Börsig and Di Iorio (the “Individual Defendants”), because of their positions with the Company, possessed the power and authority to control the contents of Deutsche Bank’s quarterly reports, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.*, the market. They were provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions with the Company, and their access to material non-public information available to them but not to the public, Ackermann, Bänziger, Börsig and Di Iorio knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public and that the positive representations being made were then materially false and misleading. The Individual Defendants are liable for the false statements pleaded herein.

#### **FRAUDULENT SCHEME AND COURSE OF BUSINESS**

33. Defendants are liable for: (i) making false statements; or (ii) failing to disclose adverse facts known to them about Deutsche Bank. Defendants’ fraudulent scheme and course of business that operated as a fraud or deceit on purchasers of Deutsche Bank shares was a success, as it: (i) deceived the investing public regarding Deutsche Bank’s prospects and business; (ii)

artificially inflated the price of Deutsche Bank shares; and (iii) caused plaintiff and other members of the Class to purchase Deutsche Bank shares at inflated prices.

### **BACKGROUND**

34. Deutsche Bank provides investment banking products and services. Deutsche Bank operates in three divisions; CIB, PCAM, and CB&S. The CIB division engages in the origination, sale, finance, structure, and trade of fixed income, equity, equity-linked, convertible bond, foreign exchange, and commodities products for corporations, financial institutions and sovereign, public sector and multinational organizations, and financial centers. It also offers trade finance, cash management, trust, and securities services; provides mergers and acquisitions advice, general corporate finance advice, leveraged debt and equity origination services, and various credit products and financial services; and delivers capital-raising, investing, hedging, and financing solutions.

35. At the beginning of the Class Period, defendants were seeking to increase Deutsche Bank's mortgage origination/securitization business. A significant component of the expansion into U.S. residential mortgage loans was the acquisition of MortgageIT. Deutsche Bank executed a definitive acquisition agreement for MortgageIT in July 2006. Deutsche Bank sold billions of dollars of U.S. residential mortgage loans into private label securitizations and billions more through whole loan sales, including to U.S. government-sponsored entities such as the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. These loan sales generated significant fees, but this emphasis on mortgage loan securitization in late 2006 was a problem for investors in Deutsche Bank's securitized mortgage loans since the abuses in the mortgage origination business were then leading to defaults. Deutsche Bank had shorted the mortgage market in late 2006. While investors may have believed this was a hedge to protect Deutsche Bank in case the Company's general concerns about the market came to fruition, in fact executives at Deutsche Bank actually knew of problems in the market caused by practices Deutsche Bank itself had utilized.

**DEFENDANTS' FALSE AND MISLEADING  
STATEMENTS ISSUED DURING THE CLASS PERIOD**

36. On January 3, 2007, Deutsche Bank announced the acquisition of MortgageIT in a cash transaction. The release stated in part:

Deutsche Bank today announced the completion of the acquisition of MortgageIT Holdings, Inc., a residential mortgage real estate investment trust (REIT), for \$14.75 in cash per share of common stock, or \$430 million (EUR 324 million). The acquisition is expected to be accretive to earnings in 2007 and will add significant scale and synergies to Deutsche Bank's US residential mortgage business.

MortgageIT will become a part of Deutsche Bank's Residential Mortgage Backed Securities group and Doug Naidus, CEO of MortgageIT, will become a Managing Director and Head of Mortgage Origination within the group. The acquisition is the latest in a series of investments Deutsche Bank has made in the US mortgage markets. . . .

"As a leader in the US fixed income markets with a strong and growing residential mortgage business, adding a top mortgage originator like MortgageIT is a compelling strategic fit for our business," said Phil Weingord, Head of Global Markets in the Americas. "Expanding our origination platform provides us with access to a steady source of product for distribution into the mortgage capital markets."

"I am very enthusiastic about the possibilities afforded by this combination of two entrepreneurial groups," said Doug Naidus. "Uniting our origination capabilities with Deutsche Bank's structuring and capital markets expertise positions us well to grow our business in a wide range of market conditions."

MortgageIT Holdings owns MortgageIT, Inc., a residential mortgage lender that employs approximately 2,100 people in 47 branches, and is licensed to originate residential mortgage loans in all 50 states. MortgageIT is one of the fastest-growing and largest residential mortgage loan originators in the US.

37. In fact, by this time the U.S. residential mortgage market was beginning to generate problem loans. Defendants knew or recklessly disregarded that many loans being issued would default. Nevertheless, defendants continued to originate, securitize and offload to the government loans originated under suspect practices, creating future problems for buyers and future liabilities for Deutsche Bank.

38. On February 1, 2007, Deutsche Bank issued its fourth quarter and fiscal year 2006 results in a press release that stated in part:

Deutsche Bank today reported unaudited figures for the fourth quarter and full year 2006. Income before income taxes was EUR 8.1 billion for the year, up 33% versus EUR 6.1 billion in 2005. Net income for the year was EUR 6.0 billion, up 70% versus EUR 3.5 billion in 2005, including EUR 355 million of corporate tax credits in the fourth quarter.

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Dr. Josef Ackermann, Chairman of the Management Board, said: "These are our best-ever fourth quarter results, and they complete an exceptional year for Deutsche Bank. Both in the Corporate and Investment Bank and in Private Clients and Asset Management, we turned in a record year. I am delighted at the value we have delivered to our shareholders, as reflected in our recommended dividend of 4 Euros per share."

He added: "Powerful trends are shaping our environment. Globalisation is accelerating. Geographical boundaries are disappearing, and emerging markets are growing in importance. We see sustained growth in the world's capital markets, with innovation in securities trading businesses, and dynamic levels of corporate activity. Invested asset growth continues around the world, as private individuals plan for retirement, wealth is created in emerging economies, and investors, both private and institutional, show growing appetite for new asset classes.

Deutsche Bank is very well positioned to take full advantage of these trends. We are one of the most truly globalised of the world's major banks, with exceptional regional diversification and strong bases in all major emerging markets. We are a world-leading investment bank, with a strong corporate franchise and an outstanding sales and trading platform, driven by excellence in innovative, 'intellectual capital' businesses. We are a leading global asset gatherer, with a significant presence in alternative investments. We have made a very strong start on Phase 3 of our management agenda, and we have excellent prospects for continued success in 2007."

39. On March 27, 2007, the Company filed its Form 20-F for its fourth quarter and fiscal year 2006, which included the Company's previously reported financial results. The Form 20-F also stated:

We intend to continue to invest in our platform in the United States, as evidenced in 2006 by our acquisition of MortgageIT Holdings, Inc., a residential mortgage originator, which significantly expands our scope in residential mortgage-backed securities.

40. On May 8, 2007, Deutsche Bank issued its results for the first quarter of 2007 in a press release that stated in part:

Deutsche Bank reported income before income taxes for the first quarter 2007 of EUR 3.2 billion, up 22% versus EUR 2.6 billion for the first quarter 2006. Net income was EUR 2.1 billion, up 29% from EUR 1.6 billion in the prior year quarter. Pre-tax return on average active equity was 45%, versus 42% in the prior year quarter, while diluted earnings per share were EUR 4.28, versus EUR 3.11 in the prior year quarter. Per the Bank's target definition, which excludes significant gains and charges, pre-tax return on average active equity was 41% for the quarter, while diluted earnings per share were EUR 3.88.

Dr. Josef Ackermann, Chairman of the Management Board, said: "Deutsche Bank's outstanding first-quarter results are testimony to our powerful and well-diversified franchises in key areas, our ability to seize profitable opportunities in different business conditions, and our commitment to high-quality solutions for clients."

He added: "Despite the ongoing correction in the housing market the United States economy remains fundamentally resilient. Growth momentum and business confidence in Europe appear solid, as sustained strength and optimism in the German economy continues to contribute positively to the performance of the Eurozone. Key emerging markets, notably China, India and energy-producing nations, are well placed to sustain their dynamic expansion. We are well positioned for further, profitable growth in our business. Our global platform gives us exceptional opportunities to serve our clients in an increasingly globalized marketplace."

41. On May 8, 2007, the Company filed a Form 6-K that included the Company's previously reported financial results. The Company additionally reported in part:

Looking ahead in 2007, the economic fundamentals remain positive. Despite the ongoing correction in the housing market the United States economy remains fundamentally resilient. Growth momentum and business confidence in Europe appear solid, as sustained strength and optimism in the German economy continues to contribute positively to the performance of the Eurozone. Key emerging markets, notably China, India and energy-producing nations, are well placed to sustain their dynamic expansion.

In this context, *Deutsche Bank is well positioned for further, profitable growth in our business.* Our global platform gives us exceptional opportunities to serve our clients in an increasingly globalized marketplace. Continued expansion of the world's capital markets, in both industrialized and emerging nations, plays to the strength of our world-leading position in investment banking. The creation of wealth in the global economy, and the demand for private retirement funding via an ever-more diverse range of asset classes, presents attractive opportunities for our powerful

investment management franchise. Our investments in our home market, Germany, including both acquisitions and organic expansion, enable us to capitalize on the strength of the Eurozone's largest economy.

42. On the quarterly conference call following the release of Deutsche Bank's first quarter 2007 results, defendant Di Iorio stated in part:

This quarter was much more challenging, with equity market volatility, significant corrections in emerging market equities, credit spreads widening substantially and dislocations in the U.S. mortgage market. In these conditions, our business model has proved to be resilient and we are proud and happy to be reporting outstanding results.

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First on MortgageIT and the sub-prime effects, we're very positive about MortgageIT and we see it as a very strong long-term acquisition as well as short-term for us. As far as our expectations are concerned, because of the softening in the U.S. market and the decision that we made to even tighten further our credit standards, we had very tight credit standards but we've tightened them further, we see production softening from what we had first anticipated.

43. On August 1, 2007, Deutsche Bank issued its second quarter 2007 results in a release stating in part:

Deutsche Bank reported income before income taxes for the second quarter 2007 of EUR 2.7 billion, up 32% versus EUR 2.0 billion in the second quarter 2006. Net income was EUR 1.8 billion, up 31% versus EUR 1.4 billion in the prior year quarter. Pre-tax return on average active equity was 36%, versus 33% in the second quarter 2006, on average active equity which was up by EUR 5.3 billion, or 22%, over the prior year quarter. Diluted earnings per share were EUR 3.60, up 48% versus the prior year quarter. Per the bank's target definition, which excludes certain significant gains and charges, pre-tax return on average active equity was 35%.

For the first six months of 2007, income before income taxes was EUR 5.9 billion, up 26% versus the first six months of 2006. Net revenues were EUR 18.4 billion, up 23%, while net income rose 30% to EUR 3.9 billion. Pre-tax return on average active equity was 40%, compared to 38% in the first half 2006, and diluted earnings per share rose 41% to EUR 7.86. Per target definition, pre-tax return on average active equity was 38%.

Dr. Josef Ackermann, Chairman of the Management Board, said: "After an excellent first quarter, we delivered another outstanding quarterly result, with significant earnings growth over the same period last year. All our business divisions

contributed to this growth. As a result, we delivered a very strong first half year, clearly demonstrating the power and resilience of our platform.”

He added: “Looking forward, uncertainties persist in the world’s financial markets in the short term. Some areas of the credit markets may continue to experience turbulent conditions, and investors may adopt a more conservative stance toward leveraged finance. Our business model which benefits from rigorous risk management and independent control processes is structured to deliver performance also in the face of such challenges. We have consistently adopted a prudent approach to risk-taking, and the current environment is no exception. We firmly believe that these qualities will enable us to continue to perform strongly.”

44. On the quarterly conference call following the release of Deutsche Bank’s second quarter 2007 results, defendant Di Iorio stated:

- “Any subprime exposure we have is relatively flat.”
- “Before we issue a commitment, we go through a very strict credit review, as if we were making the loan to the borrower and as if we were going to be the holder of the loan. We are comfortable with the credit quality on the names to which we’ve extended commitments. We don’t see current volatility in leverage finance as a credit risk.”
- “We are comfortable with our exposure at the end of the quarter, not because of hedging, but because we held discussions and where appropriate took charges.”

45. On September 4, 2007, Deutsche Bank issued a press release entitled “Deutsche Bank gives 3Q 2007 performance update,” which stated in part:

Josef Ackermann, Chairman of the Management Board of Deutsche Bank will today be speaking on the US sub-prime crisis and its implications at a banking conference in Frankfurt. With respect to the impact of recent market turbulence on Deutsche Bank and financial institutions he makes the following comments:

“In the communication of our second-quarter results we said that we were satisfied with the development of our business in July.

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Despite an environment of higher spreads and a focus on the short end, availability of funding has not been a problem for Deutsche Bank in recent weeks.

In conclusion – although it may take some time to work through the system – for the reasons I have alluded to, namely the scale of the problems relative to the

larger financial system and the actions of regulators and central bankers, I am optimistic about the environment globally for financial institutions.”

46. On October 31, 2007, Deutsche Bank announced third quarter 2007 results in a release stating in part:

Deutsche Bank reported income before income taxes for the third quarter 2007 of EUR 1.4 billion, down 19% versus the third quarter of 2006. Net income for the quarter rose 31% to EUR 1.6 billion, reflecting a net positive tax impact on earnings arising from specific items. Pre-tax return on average active equity was 19% in the quarter versus 28% in the third quarter 2006. Per the bank’s target definition, which excludes certain significant gains and charges, pre-tax return on average active equity for the quarter was 12%. Diluted earnings per share were EUR 3.31 for the quarter, up 36% versus EUR 2.43 in the third quarter 2006.

Deutsche Bank further reported, in line with previously-communicated expectations, charges of EUR 603 million on leveraged loans and loan commitments (net of related fees), and EUR 1,560 million on relative value trading in both debt and equity, structured credit products, and residential mortgage-backed securities. Reflecting these charges, Corporate Banking & Securities (CB&S) reported a third-quarter pre-tax loss of EUR 179 million.

Dr Josef Ackermann, Chairman of the Management Board, said: “The third quarter of 2007 was a period of exceptional turbulence in financial markets. In investment banking, our performance was significantly impacted by this extremely challenging environment; however, our ‘stable’ businesses performed well and we reaped the benefits of some recent investments. As a result, I am pleased to report that, overall, our businesses turned in a satisfactory result in the quarter.”

He added: “Looking forward, challenges undoubtedly remain; however, this is also a time of opportunity for Deutsche Bank. As a market leader in investment banking, and a major global asset gatherer, we stand to benefit from the flight to quality. We have forged deep client relationships, and while clients’ priorities may change, our ability to act as trusted advisor and partner will remain. Our capital strength and well-diversified funding base are valuable competitive advantages. Strategically, our path is clear: we stay the course! We have made a positive start to the fourth quarter, and assuming markets function at normal levels, we re-affirm our commitment to delivering on our 2008 financial targets.”

For the first nine months of 2007, income before income taxes was EUR 7.3 billion, up 14% versus the first nine months of 2006. Net revenues rose 10% to EUR 23.5 billion, while net income rose 30% to EUR 5.5 billion. Pre-tax return on average equity was 33%, versus 34% in the first nine months of 2006, while diluted earnings per share rose 38% to EUR 11.13. Per target definition, pre-tax return on average active equity was 29% versus 33% in the first nine months of 2006, while diluted earnings per share rose 21% to EUR 9.06.

47. On the quarterly conference call following the release of the Company's third quarter 2007 results, Ackermann said, "it could very well be that there are further corrections, but I don't believe they will be at Deutsche Bank." The Company would not be affected by a worsening of the U.S. subprime market, he said.

48. On February 7, 2008, Deutsche Bank issued its fourth quarter and fiscal year 2007 financial results in a release that stated in part:

Dr. Josef Ackermann, Chairman of the Management Board, said: "I am pleased to report robust earnings for the fourth quarter, which concludes one of our best years ever and a year of solid performance in challenging times. In 2007 we clearly strengthened our competitive position and delivered another year of profit growth while simultaneously maintaining our capital strength. This performance enables us to recommend to our shareholders another increase in our dividend, to EUR 4.50 per share."

He added: "In the fourth quarter, we again demonstrated the quality of our risk management. We had no net write-downs related to sub-prime, CDO or RMBS exposures. Those trading businesses in which we reported losses in the third quarter produced a positive result in the fourth quarter. In leveraged finance, where we had significant write-downs in the third quarter, net write-downs in the fourth quarter were less than EUR 50 million."

Dr. Ackermann concluded: "Looking forward, we expect conditions to remain challenging in 2008. Uncertainties in the macro-economic environment are likely to affect capital markets-related businesses. Nevertheless, we remain focused on growing our platform and gaining market share. Our strategy and business model have proven themselves. Our capital base is stronger than ever. Notwithstanding short-term uncertainties, the longer-term trends shaping our industry are moving in our direction. *We have shown resilience in 2007. We face the future with confidence. As a result, we re-affirm our vision of delivering a pre-tax profit of EUR 8.4 billion in 2008.*"

49. On the quarterly conference call following the release of Deutsche Bank's fourth quarter and fiscal year 2007 results, defendant Banziger stated the following:

We are very happy with the credit quality of our LBO books. One of the principals we always follow, and was something that was quite criticized by the markets, it was that banks originate then walk away from the deal, have no stake in the whole thing and therefore they don't care what they originate, they just sell it off. We never did that. We always keep 10% in everything we do, be that the CDO, there we keep less, there we keep about 5%, be that the CLOs when we issue collateralized

loan obligations from our own German mid-cap loan book, we always keep something because the clients like it. That's for them a guarantee that we have good quality.

Now, that has an immediate effect. So if you keep some of the stuff on your books, even if it's 10%, you apply these very high underwriting standards.

50. On March 26, 2008, Deutsche Bank filed its Form 20-F for its fourth quarter and fiscal year 2007, which included the Company's previously reported financial results. The Form 20-F also included a table of Deutsche Bank's exposure to U.S. residential mortgages:

**OTHER U.S. MORTGAGE BUSINESS EXPOSURE:** We also have ongoing exposure to the U.S. residential mortgage market through our trading, origination and securitization businesses in residential mortgages. These are summarized below, which does not include agency CMOs and agency eligible loans.

<b>Other U.S. Mortgage business exposure:</b>	<b>Exposure</b>
in € m.	<b>Dec 31, 2007</b>
Alt-A	7,908
Subprime	216
Other	1,679
<b>Total other U.S. residential Mortgage gross assets</b>	<b>9,803</b>
Hedges and other protection purchased	(7,592)
Trading related net positions	803
<b>Total net other U.S. Mortgage business exposure</b>	<b>3,014</b>

51. The Form 20-F concealed MortgageIT's violations of origination standards and Deutsche Bank's disregard of findings of such violations by due diligence firms.

52. On April 29, 2008, Deutsche Bank issued its financial results for the first quarter of 2008 in a release that stated in part:

Deutsche Bank reported a net loss of EUR 141 million, or 27 cents per share, for the first quarter of 2008, and a loss before income taxes of EUR 254 million. Markdowns of EUR 2.7 billion were recorded in respect of leveraged loans and loan commitments, commercial real estate and residential mortgage-backed securities (predominantly Alt-A). A gain of EUR 77 million arose from the widening of credit spreads on certain Deutsche Bank debt, for which the fair value option was elected. The Tier 1 capital ratio at the end of the quarter, reported under Basel II, was 9.2%.

Dr. Josef Ackermann, Chairman of the Management Board, said: "In the first quarter of this year, financial market conditions were the most difficult in recent

memory. In the month of March, pressure on the banking sector was more intense than at any time since the current credit downturn began. Inevitably, this left its mark on Deutsche Bank's results. Nevertheless, relative to the environment and the industry, this is a solid performance."

He added: "Deutsche Bank's position is clear. We remain rigorous in controlling costs and monitoring investment spending. We are redeploying both human and capital resources towards growth businesses and regions. We are swiftly and decisively reducing our risk exposures. We have consolidated our capital strength.

We re-affirm our strategy and our business model. Our integrated 'one bank' approach has proven its worth and is essential to our success and our ability to create value for our shareholders. We have captured market share in some important areas. The fundamental trends shaping our operating environment are unchanged, and Deutsche Bank is very well-positioned to emerge stronger than ever from a recovery in business conditions. We are equally determined to meet near-term challenges, and to take advantage of longer-term opportunities."

53. This was Deutsche Bank's first loss in five years.

54. On the quarterly conference call after releasing the first quarter 2008 results, defendant Di Iorio explained that a head count reduction of 1,000 people was largely due to cut-backs at MortgageIT:

A lot of the people, just over half, came from a mortgage banking operation in the United States, MortgageIT, and the rest of it came from various parts of our sales and trading and corporate finance business.

55. Defendant Di Iorio also stated:

Our U.S. Residential Mortgage business, our exposures continue to come down there. The Alt-A book was reduced from EUR7.8b to EUR5.2b and this came from some liquidations, markdowns and the effect of FX, particularly the dollar weakening during the quarter. Our net exposure dropped from EUR3.6b to EUR1.7b.

56. On May 29, 2008, *Thomson Financial News* published an article entitled "Deutsche Bank CEO says uncertainty remains over banks' further mark-downs," which stated in part:

Deutsche Bank AG chief executive Josef Ackermann said the extent to which banks have to book further mark-downs as a result from the financial markets crisis remains uncertain.

“Uncertainty remains as to how much the financial crisis will impact global economic growth over the next few months,” he said during the German bank’s annual general meeting, according to a script handed out before he started to speak.

“Nonetheless, I do believe we are seeing the beginning of the end of the crisis,” he said.

Deutsche Bank posted a net loss of 141 million euros for the first quarter and scrapped its previous full-year underlying pretax profit target of 8.4 billion euros due to the continuing uncertainty.

“We will be doing our best to smooth out this small dip in the curve at the beginning of the year,” he said.

Ackermann did not comment further on the bank’s targets for the year.

Regarding the German banking industry, Ackermann said that “if a consolidation of banks in Germany should really take place, for instance, we will not stand on the sidelines.”

57. On July 30, 2008, Deutsche Bank released its second quarter 2008 results, including the Company’s second straight loss at its securities unit due to \$3.6 billion in write-downs. The Company wrote down the value of residential mortgage-backed securities, mostly so-called Alt-A mortgages, by €1 billion. *Bloomberg* reported:

Ackermann said he “remains cautious” after the investment bank posted a 311 million-euro pretax loss following markdowns on mortgage securities, loans and debt backed by bond insurers.

58. On the second quarter 2008 conference call, defendant Di Iorio attributed much of the loss to the residential mortgage-backed securities issues:

Many of our peers began aggressively selling down their RMBS positions in the second quarter and we, as others, experienced a mark-down here because of the drop in the valuations market.

59. On August 1, 2008, *Bloomberg* issued an article entitled “Deutsche Bank Debt Rating Cut by S&P After Writedowns,” which stated in part:

Deutsche Bank AG, Germany’s largest bank, had its long-term credit rating lowered by Standard & Poor’s after announcing higher-than-estimated second-quarter writedowns of 2.3 billion euros (\$3.6 billion).

S&P cut the long-term counterparty credit rating one step to AA- from AA, and affirmed the bank's A-1+ short-term rating. The outlook on all the ratings is negative, S&P said, adding that the investment-banking industry is still under "heavy pressure."

"The downgrade reflects that we no longer consider Deutsche Bank's performance to be materially stronger than that of the leading peers in the currently difficult environment," said S&P analysts led by Bernd Ackermann in Frankfurt in a statement today.

"It's the negative outlook that's worrisome," said Dirk Becker, a Frankfurt-based analyst at Landsbanki Kepler. "Deutsche Bank wouldn't be able to conduct a lot of their business with a lower rating."

60. In September and October 2008, the financial markets dropped as problems in the financial industry became apparent, including the failure of Lehman Brothers. Deutsche Bank's stock also dropped as market observers recognized Deutsche Bank's precarious position. Deutsche Bank shares declined from \$90.50 per share in mid August 2008, to \$35.65 per share in mid October 2008, as market participants realized that banks' past lending practices (including at Deutsche Bank) could lead to their collapse.

61. On October 30, 2008, Deutsche Bank issued a press release announcing its third quarter 2008 financial results, which stated in part:

Deutsche Bank today reported net income of EUR 414 million, versus EUR 1.6 billion in the third quarter 2007. Earnings per share on a diluted basis were EUR 0.83 for the third quarter 2008, versus EUR 3.31 per share in the prior year quarter. Income before income taxes was EUR 93 million, versus EUR 1.4 billion in the prior year quarter. Mark-downs of EUR 1.2 billion were recorded on leveraged loans and loan commitments, *residential mortgage-backed securities*, monoline insurers, commercial real estate and on available for sale positions. The Tier 1 capital ratio, reported under Basel II, was 10.3%, versus 9.3% at the end of the second quarter 2008.

Dr. Josef Ackermann, Chairman of the Management Board, said: "The third quarter 2008 was characterised by a considerable intensification of the credit crisis in September. Despite these extraordinary conditions, Deutsche Bank reported a profit for the quarter. We also continued to bolster our solid capital position and strong funding base – both vital in times of acute market stress. Our agreement to acquire a stake in Deutsche Postbank underlined our determination to grow our core businesses."

62. Deutsche Bank's third quarter 2008 release showed that Deutsche Bank's investment-banking unit reported a third straight quarterly pretax loss of €789 million. The Company booked write-downs of €1.2 billion on leveraged buyouts, residential mortgage-backed securities, assets secured by bond insurers and commercial real estate.

63. Deutsche Bank's subprime market-related losses were pegged by *Bloomberg* on November 12, 2008 at \$11.6 billion.

64. On November 13, 2008, Deutsche Bank issued a press release entitled "Deutsche Bank treasury stock inventory below 3 percent," which stated in part:

Deutsche Bank today announced in the form of a compulsory notification pursuant to the German Securities Trading Act that on 10 November 2008 the holdings of its own shares fell below the threshold of 3 per cent and is now 2.9 per cent.

65. On November 24, 2008, a letter to Deutsche Bank employees was made public. In the letter Ackermann told employees he expected a "substantial rise" in defaults among companies and households. In a *Bloomberg* television interview, Deutsche Bank Group Executive Committee member Juergen Fitschen stated that more provisions would be necessary for bad loans.

66. In December 2008, Deutsche Bank made the following announcement regarding its MortgageIT subsidiary:

Deutsche Bank has made the difficult decision to close the MortgageIT US Wholesale Lending Division. MortgageIT will cease accepting new business as of December 11th and focus on existing business . . . .

67. On January 14, 2009, Deutsche Bank issued an update on its fourth quarter 2008 performance. The release stated:

Deutsche Bank today announced, on a preliminary and unaudited basis, key elements of its fourth quarter 2008 financial performance:

**Fourth-quarter loss:** The bank currently anticipates a loss after taxes in the region of EUR 4.8 billion for the fourth quarter 2008. This development reflects exceptional market conditions, which severely impacted results in the sales and

trading businesses, most notably in Credit Trading including its proprietary trading business, Equity Derivatives and Equities Proprietary Trading. The result also reflects exposure reduction and other de-risking measures, a significant increase in provisions against certain of our monocline counterparties, and certain other exceptional gains and charges, including reorganisation charges. In Asset and Wealth Management, the bank anticipates a fourth quarter loss driven by an impairment charge on intangible assets related to DWS Scudder and substantial injections into money market funds. For the full year 2008, the bank currently anticipates a loss after tax in the region of EUR 3.9 billion.

68. On January 16, 2009, Fitch Ratings placed Deutsche Bank's AA- rating on Rating Watch Negative following the Company's fourth quarter 2008 performance update.

69. On this news, Deutsche Bank shares fell to close at \$21.27 per share on January 20, 2009 (the next trading day) – a decline of more than 86% from their Class Period high of \$159.59 in May 2007.

70. These disclosures confirmed Deutsche Bank's problems in the residential mortgage business and caused harm to investors. However, investors were not yet in position to understand the intentional conduct which had caused these issues.

71. Ultimately, on May 3, 2011, the DOJ sued Deutsche Bank for intentional and reckless conduct with respect to its mortgage operations, alleging among other things:

- Deutsche Bank and MortgageIT lied to maintain MortgageIT's direct endorsement lender status.
- Contrary to the representations made by Deutsche Bank and MortgageIT, Deutsche Bank and MortgageIT failed to implement a quality control plan complying with HUD rules. Rather, Deutsche Bank and MortgageIT continually failed to implement basic quality control principles.
- MortgageIT failed to review all early payment defaults as mandated by HUD rules.
- MortgageIT contracted with an outside vendor, Tena, to conduct quality control reviews of closed FHA insured loans.
- As noted above, those reviews did not include early payment defaults because MortgageIT failed to identify early payment defaults to Tena.

- No one at MortgageIT read any of the Tena findings letters as they arrived in 2004.
- Instead, MortgageIT employees stuffed the letters, unopened and unread, in a closet in MortgageIT's Manhattan headquarters.
- Deutsche Bank and MortgageIT chronically understaffed quality control.
- MortgageIT failed to comply with its basic quality control obligations, including its obligation to address serious quality problems when they arose, and to report suspected mortgage fraud to HUD. Instead, MortgageIT – including upper management at MortgageIT – knowingly, wantonly, and recklessly permitted egregious underwriting violations to continue unabated. These failures caused the government millions of dollars in losses.

72. The true facts, which were known by the defendants but concealed from the investing public during the Class Period, were as follows:

- (a) Defendants failed to record adequate provisions for losses on the deterioration in mortgage assets and CDOs on Deutsche Bank's books caused by the high amount of non-collectible mortgages included in the Company's portfolio;
- (b) Deutsche Bank's MortgageIT subsidiary was issuing and had issued billions of dollars of mortgage loans which did not comply with stated lending practices, leading to thousands of defaults;
- (c) Deutsche Bank's internal controls were inadequate to ensure that losses on residential mortgage-related assets were accounted for properly; and
- (d) Deutsche Bank had transferred billions of dollars in defaulting, or soon-to-default, mortgages to unwitting investors and government programs due to its disregard of adverse findings by outside consultants.

73. As a result of defendants' false statements, Deutsche Bank shares traded at inflated prices during the Class Period. However, after the above revelations seeped into the market, the

Company's shares were hammered by massive sales, sending them down more than 86% from their Class Period high.

### **LOSS CAUSATION/ECONOMIC LOSS**

74. By misrepresenting Deutsche Bank and MortgageIT's intentionally reckless mortgage origination practices, the defendants presented a misleading picture of the Company's business and prospects. Thus, instead of truthfully disclosing during the Class Period that Deutsche Bank's business was not as healthy as represented, Deutsche Bank falsely concealed conduct which caused it to retain and securitize impaired mortgage-related assets.

75. The defendants' claims of profitability and strong risk management practices caused and maintained the artificial inflation in Deutsche Bank's share price throughout the Class Period and until the truth about its exposure to the problems in the U.S. residential mortgage market were revealed to the market.

76. Defendants' false and misleading statements had the intended effect and caused Deutsche Bank shares to trade at artificially inflated levels throughout the Class Period, reaching as high as \$159.59 per share.

77. By the fall of 2008, it was apparent to the market that Deutsche Bank's debt securities were impaired, including its mortgage-related assets. In November 2008, the extent of Deutsche Bank's exposure to problematic mortgages became more apparent to the market, causing its stock to drop below \$30 per share. Later in December 2008, Deutsche Bank announced it would shut down MortgageIT's wholesale lending division, and in January 2009, after the Company announced disappointing fourth quarter 2008 results, Fitch placed its AA- rating on Rating Watch Negative. However, investors were not aware of Deutsche Bank's intentional and reckless conduct with respect to its mortgage operations until the DOJ sued Deutsche Bank in May 2011 for misrepresenting the quality of the loans made by its MortgageIT subsidiary.

78. As a direct result of the public revelations regarding the truth about Deutsche Bank's profitability and its actual business prospects going forward, Deutsche Bank's share price plummeted 86%, falling from \$159.59 per share in May 2007 to \$21.27 per share on January 20, 2009. Deutsche Bank's shares on the German and other exchanges dropped by similar amounts. These drops removed the inflation from Deutsche Bank's share price, causing real economic loss to investors who had purchased the shares during the Class Period.

### COUNT I

#### **For Violation of §10(b) of the 1934 Act and Rule 10b-5 Against All Defendants**

79. Plaintiff incorporates ¶¶1-78 by reference.

80. During the Class Period, defendants disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

81. Defendants violated §10(b) of the 1934 Act and Rule 10b-5 in that they:

(a) employed devices, schemes and artifices to defraud;

(b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) engaged in acts, practices and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Deutsche Bank ordinary shares during the Class Period.

82. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Deutsche Bank ordinary shares. Plaintiff and the

Class would not have purchased Deutsche Bank ordinary shares at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by defendants' misleading statements.

83. Plaintiff could not have learned of the extent of Deutsche Bank's intentional conduct with respect to MortgageIT until the DOJ made its findings public in May 2011.

## **COUNT II**

### **For Violation of §20(a) of the 1934 Act Against All Defendants**

84. Plaintiff incorporates ¶¶1-83 by reference.

85. The Individual Defendants acted as controlling persons of Deutsche Bank within the meaning of §20(a) of the 1934 Act. By reason of their positions with the Company, and their ownership of Deutsche Bank shares, the Individual Defendants had the power and authority to cause Deutsche Bank to engage in the wrongful conduct complained of herein. Deutsche Bank controlled the Individual Defendants and all of its employees. By reason of such conduct, defendants are liable pursuant to §20(a) of the 1934 Act.

## **CLASS ACTION ALLEGATIONS**

86. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of all persons who purchased or otherwise acquired Deutsche Bank ordinary shares during the Class Period (the "Class"). Excluded from the Class are defendants.

87. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. Deutsche Bank has over 925 million shares outstanding, owned by thousands of persons. The shares trade on the NYSE and other exchanges.

88. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

- (a) whether the 1934 Act was violated by defendants;
- (b) whether defendants omitted and/or misrepresented material facts;
- (c) whether defendants' statements omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;
- (d) whether defendants knew or deliberately disregarded that their statements were false and misleading;
- (e) whether the prices of Deutsche Bank shares were artificially inflated; and
- (f) the extent of damage sustained by Class members and the appropriate measure of damages.

89. Plaintiff's claims are typical of those of the Class because plaintiff and the Class sustained damages from defendants' wrongful conduct.

90. Plaintiff will adequately protect the interests of the Class and has retained counsel who are experienced in class action securities litigation. Plaintiff has no interests which conflict with those of the Class.

91. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

#### **PRAYER FOR RELIEF**

WHEREFORE, plaintiff prays for judgment as follows:

- A. Declaring this action to be a proper class action pursuant to Fed. R. Civ. P. 23;
- B. Awarding plaintiff and the members of the Class damages, including interest;
- C. Awarding plaintiff's reasonable costs and attorneys' fees; and

D. Awarding such equitable/injunctive or other relief as the Court may deem just and proper.

**JURY DEMAND**

Plaintiff demands a trial by jury.

DATED: June 21, 2011

ROBBINS GELLER RUDMAN  
& DOWD LLP  
SAMUEL H. RUDMAN



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Attorneys for Plaintiff

CERTIFICATION OF NAMED PLAINTIFF  
PURSUANT TO FEDERAL SECURITIES LAWS

IBEW LOCAL 90 PENSION FUND (“Plaintiff”) declares:

1. Plaintiff has reviewed a complaint and authorized its filing.
2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff’s counsel or in order to participate in this private action or any other litigation under the federal securities laws.
3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.
4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

<u>Security</u>	<u>Transaction</u>	<u>Date</u>	<u>Price Per Share</u>
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*See attached Schedule A.*

5. Plaintiff has not sought to serve or served as a representative party in a class action that was filed under the federal securities laws within the three-year period prior to the date of this Certification except as detailed below:

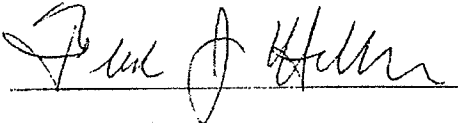
6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff’s pro rata share of any recovery,

except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 17<sup>th</sup> day of June, 2011.

IBEW LOCAL 90 PENSION FUND

By: 

Its: \_\_\_\_\_

SCHEDULE A

SECURITIES TRANSACTIONS

Acquisitions

<u>Date Acquired</u>	<u>Type/Amount of Securities Acquired</u>	<u>Price</u>
07/20/2007	700	\$132.48
10/20/2008	500	\$42.20