

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20150443249-01**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Deutsche Bank Securities Inc., Respondent
Broker-Dealer
CRD No. 2525

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Deutsche Bank Securities Inc. (the "firm" or "Respondent") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

The firm has been a member of FINRA since March 16, 1940, and its registration remains in effect.

RELEVANT DISCIPLINARY HISTORY

On March 11, 2016, FINRA accepted an AWC in which the firm was censured and fined a total of \$120,000 for TRACE violations for three separate matters (two involving Rule 6760, and one involving Rule 6730). The Rule 6760 violations occurred from January 2014 through September 30, 2014 and the Rule 6730 violations occurred from October 1, 2014 through December 31, 2014.

On September 11, 2015, FINRA accepted an AWC in which the firm was censured and fined \$90,000 for TRACE reporting violations (FINRA Rule 6730), for three separate matters which occurred from April 1, 2013 through June 30, 2013 and January 1, 2014 through March 31, 2014.

On September 17, 2014, FINRA accepted an AWC in which the firm was censured and fined a total of \$55,000 for TRACE violations, including FINRA Rule 6730, which occurred for two separate matters from February 6, 2012 through June 30, 2012, and July 1, 2013 through September 30, 2013.

On January 13, 2014, FINRA accepted an AWC in which, among other things, the firm was censured and fined \$30,000 for TRACE violations (FINRA Rule 6730) in two separate matters that occurred from January 1, 2010 through March 31, 2010, and April 1, 2011 through June 30, 2011.

On December 12, 2013, FINRA accepted an AWC in which, among other things, the firm was censured and fined \$25,000, comprised of \$17,500 for TRACE violations (FINRA Rule 6760(c)) that occurred from May 10, 2011 through September 30, 2011, and for TRACE violations (FINRA Rule 6730) that occurred from July 1, 2012 through September 30, 2012, as well as \$7,500 for a TRACE supervision violation.

On February 5, 2013, FINRA accepted an AWC in which, among other things, the firm was censured and fined \$100,000 for TRACE violations (FINRA Rule 6730) in four separate matters during the periods July 1, 2007 through September 30, 2007 (one matter), July 8, 2008 through September 30, 2008 (one matter), and April 1, 2009 through June 30, 2009 (two matters).

On November 26, 2012, FINRA accepted an AWC in which, among other things, the firm was censured and fined \$5,000 for TRACE violations (FINRA Rule 6730) during the period July 1, 2011 through September 30, 2011.

SUMMARY

In connection with FINRA matter No. 20170535933, the TRACE staff reviewed the firm's supervisory system related to TRACE reporting for the period from October 1, 2014 through December 31, 2016.

In connection with FINRA matter No. 20150443249, the TRACE Corporate Bonds Team of the Department of Market Regulation (the "Corporate Bonds staff") reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from October 1, 2014 through December 31, 2014 (the "first review period 4Q14").

In connection with FINRA matter No. 20150452684, the Corporate Bonds staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from January 1, 2015 through March 31, 2015 and July 1, 2015 through September 30, 2015 (the "second review period 1Q15/3Q15").

In connection with FINRA matter No. 20150454657, the Corporate Bonds staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from

January 1, 2015 through March 31, 2015 (the “third review period 1Q15”) and July 1, 2015 through September 30, 2015 (the “third review period 3Q15”),

In connection with FINRA matter No. 20150477641, the TRACE Agency/SP Team of the Department of Market Regulation (the “Agency/SP staff”), reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2015 through September 30, 2015 (the “fourth review period 3Q15”).

In connection with FINRA matter No. 20150478180, the Corporate Bonds staff reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2015 through September 30, 2015 and October 1, 2015 through December 31, 2015 (the “fifth review period 3Q15/4Q15”).

In connection with FINRA matter No. 20150475311, the Corporate Bonds staff reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from April 1, 2015 through September 30, 2015 and October 1, 2015 through March 31, 2016 (the “sixth review period 2Q15/3Q15/4Q15/1Q16”).

In connection with FINRA matter No. 20160487984, the Agency/SP staff reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from October 1, 2015 through December 31, 2015 and January 1, 2016 through March 31, 2016 (the “seventh review period 4Q15/1Q16”).

In connection with FINRA matter No. 20160487018, the Corporate Bonds staff reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from October 1, 2015 through December 31, 2015 (the “eighth review period 4Q15”) and January 1, 2016 through March 31, 2016 (the “eighth review period 1Q16”) and April 1, 2016 through June 30, 2016 (the “eighth review period 2Q16”).

In connection with FINRA matter No. 20160499541, the Agency/SP staff, reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from January 1, 2016 through March 31, 2016 (the “ninth review period 1Q16”).

In connection with FINRA matter No. 20160497799, the Agency/SP staff, reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from January 1, 2016 through March 31, 2016, and April 1, 2016 through June 30, 2016 (the “tenth review period 1Q16/2Q16”).

In connection with FINRA matter No. 20160488839, the Corporate Bonds staff reviewed the firm’s compliance with FINRA rules applicable to trade reporting to TRACE from October 1, 2015 through December 31, 2015 (the “eleventh review period 4Q15”) and January 1, 2016 through March 31, 2016 (the “eleventh review period 1Q16”) and April 1, 2016 through June 30, 2016 (the “eleventh review period 2Q16”).

In connection with FINRA matter No. 20160492694, the Fixed Income Trading Exam Group reviewed the firm's compliance with FINRA rules applicable to transactions in fixed income securities, including trade reporting to TRACE from July 1, 2015 through September 30, 2015 (the "twelfth review period 3Q15").

In connection with FINRA matter No. 20160518554, the Agency/SP staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from April 1, 2016 through September 30, 2016 (the "thirteenth review period 2Q/3Q16").

In connection with FINRA matter No. 20160518119, the Agency/SP staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2016 through September 30, 2016 (the "fourteenth review period/3Q16").

In connection with FINRA matter No. 20160518887, the Agency/SP staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2016 through December 31, 2016 (the "fifteenth review period 3Q/4Q16").

In connection with FINRA matter No. 20170531950, the Corporate Bonds staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from October 1, 2016 through December 31, 2016 (the "sixteenth review period 4Q16").

In connection with FINRA matter No. 20170530680, the Agency/SP staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2016 through December 31, 2016 (the "seventeenth review period 2H16").

In connection with FINRA matter No. 20160518322, the Corporate Bonds staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2016 through September 30, 2016 (the "eighteenth review period 3Q16") and October 1, 2016 through December 31, 2016 (the "eighteenth review period 4Q16").

In connection with FINRA matter No. 20160519261, the Corporate Bonds staff reviewed the firm's compliance with FINRA rules applicable to trade reporting to TRACE from July 1, 2016 through September 30, 2016 (the "nineteenth review period 3Q16") and October 1, 2016 through December 31, 2016 (the "nineteenth review period 4Q16").

Based on its reviews, the staff determined the firm engaged in the violative conduct set forth below, consisting of violations of NASD Rule 3010, FINRA Rules 6730, 6760, 4511, 2010, and 3110 and SEC Rule 17a-3.

FACTS AND VIOLATIVE CONDUCT

Supervision

In connection with FINRA matter No. 20170535933:

During the period from at least October 1, 2014 through December 31, 2016, the firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations and the Rules of FINRA concerning the firm's reporting to TRACE. During this time, the firm did not enforce certain of its written supervisory procedures because it failed to adequately escalate TRACE reporting deficiencies, including, but not limited to, reporting the incorrect time of execution, late reporting, dealer-mismatch reporting issues and setting up New Issues (FINRA Rule 6760). In addition, the firm failed to take adequate steps to implement corrective action to remediate TRACE reporting deficiencies. The firm's structure for supervision of TRACE reporting was decentralized and it was unclear which individual(s) were charged with ensuring that the firm's overall TRACE reporting system was functioning in compliance with reporting requirements, and that reporting deficiencies were corrected. Furthermore, as found in the prior AWCs cited above in Relevant Disciplinary History, the firm has continued a pattern of non-compliance with regard to TRACE reporting. This demonstrated pattern of TRACE reporting deficiencies evidences an overall supervisory failure at the firm. The conduct described in this paragraph constitutes a violation of NASD Rule 3010 (for conduct before December 1, 2014) and FINRA Rule 3110 (for conduct on or after December 1, 2014) and FINRA Rule 2010.

TRACE

As a result of nineteen reviews outlined below, the TRACE staff found that the firm failed to comply with TRACE reporting requirements from October 2014 through December 2016, collectively.

In connection with FINRA matter No. 20150443249:

During the first review period 4Q14, the firm failed to report to TRACE 100 transactions in TRACE-eligible Corporate Debt Securities within the time required by FINRA Rule 6730. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a), and a pattern or practice of late reporting without exceptional circumstances in violation of FINRA Rule 2010.

In connection with FINRA matter No. 20150452684:

- I. During the second review period 1Q15/3Q15, the firm failed to report to TRACE the correct time of trade execution for 195 secondary market trades ("SI transactions") in TRACE-eligible Corporate Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).

2. During the second review period 1Q15/3Q15, the firm failed to report to TRACE 195 S1 transactions in TRACE-eligible Corporate Debt Securities within the time required by FINRA Rule 6730. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).
3. During the second review period 1Q15/3Q15, the firm failed to show the correct time of execution on the memorandum of 192 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.

In connection with FINRA matter No. 20150454657:

1. During the third review period 1Q15 and the third review period/3Q15, the firm failed to report to TRACE the correct contra-party's identifier for 129 transactions in TRACE-eligible Corporate Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(6).
2. During the third review period 3Q15, the firm failed to report to TRACE 34 transactions in TRACE-eligible Corporate Debt Securities that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(1).

In connection with FINRA matter No. 20150477641:

During the fourth review period 3Q15, the firm failed to report to TRACE 56 block S1 transactions in TRACE-eligible Agency Debt Securities within the time required by FINRA Rule 6730. These 56 block S1 transactions constituted 13.90% of the total number of block S1 transactions in TRACE-eligible Agency Debt Securities (403) that the firm reported to TRACE during the review period. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).

In connection with FINRA matter No. 20150478180:

During the fifth review period 3Q15/4Q15, the firm failed to report to TRACE 195 transactions in TRACE-eligible Corporate Debt Securities within the time required by FINRA Rule 6730. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a), and a pattern or practice of late reporting without exceptional circumstances in violation of FINRA Rule 2010.

In connection with FINRA matter No. 20150475311:

During the sixth review period 2Q15/3Q15/4Q15/1Q16, the firm failed to report 106 new issue offerings in TRACE-eligible Corporate Debt Securities to FINRA in accordance

with the time frame set forth in FINRA Rule 6760(c). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6760(c).

In connection with FINRA matter No. 20160487984:

During the seventh review period 4Q15/1Q16, the firm failed to report 200 transactions in TRACE-eligible Securitized Products within the time required by FINRA Rule 6730 to TRACE. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a) and a pattern and practice of late reporting without exceptional circumstances in violation of FINRA Rule 2010.

In connection with FINRA matter No. 20160487018:

1. During the eighth review period 4Q15, the firm reported to TRACE 99 transactions in TRACE-eligible Corporate Debt Securities with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
2. During the eighth review period 1Q16, the firm reported to TRACE 98 transactions in TRACE-eligible Corporate Debt Securities with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
3. During the eighth review period 2Q16, the firm reported to TRACE 99 transactions in TRACE-eligible Corporate Debt Securities with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
4. During the eighth review period 4Q15, the firm failed to report in a timely manner 97 transactions in TRACE-eligible Corporate Debt Securities to TRACE within the time required by FINRA Rule 6730(a). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).
5. During the eighth review period 1Q16, the firm failed to report in a timely manner 98 transactions in TRACE-eligible Corporate Debt Securities to TRACE within the time required by FINRA Rule 6730(a). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).
6. During the eighth review period 2Q16, the firm failed to report in a timely manner 93 transactions in TRACE-eligible Corporate Debt Securities to TRACE within the time required by FINRA Rule 6730(a). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).

7. During the eighth review period 4Q15, the firm failed to show the correct time of execution on the memorandum of 96 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.
8. During the eighth review period 1Q16, the firm failed to show the correct time of execution on the memorandum of 97 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.
9. During the eighth review period 2Q16, the firm failed to show the correct time of execution on the memorandum of 99 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.

In connection with FINRA matter No. 20160499541:

During the ninth review period 1Q16, the firm failed to report 100 transactions in TRACE-eligible Agency Debt Securities within the time required by FINRA Rule 6730(a) and 2010. This conduct constitutes separate and distinct violations of FINRA Rule 6730(a) and a pattern or practice of late reporting without exceptional circumstance in violation of FINRA Rule 2010.

In connection with FINRA matter No. 20160497799:

1. During the tenth review period 1Q16/2Q16, the firm failed to accurately report to TRACE 79 transactions in TRACE-eligible Agency Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730 of which 51 transactions violated Rule 6730(c) and 28 violated Rule 6730(d)(4)(C).
2. During the tenth review period 1Q16/2Q16, the firm also failed to report to TRACE 32 transactions in TRACE-eligible Agency Debt Securities and reported to TRACE five (5) transactions in TRACE-eligible Agency Debt securities that it was not required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b).

In connection with FINRA matter No. 20160488839:

1. During the eleventh review period 4Q15/1Q16/2Q16, the firm failed to report to TRACE 40 transactions in TRACE eligible Corporate Debt Securities that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(1).

2. During the eleventh review period 4Q15/1Q16/2Q16, the firm failed to report to TRACE the correct contra-party's identifier for 146 transactions in TRACE-eligible Corporate Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(6).

In connection with FINRA matter No. 20160492694:

1. During the twelfth review period 3Q15, the firm failed to report to TRACE 36 transactions in TRACE-eligible Corporate Securities involving another member that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(1).
2. During the twelfth review period 3Q15, the firm failed to report to TRACE 56 transactions in TRACE-eligible Corporate Securities involving a non-member customer that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(2).
3. During the twelfth review period 3Q15, the firm failed to report to TRACE 39 transactions in TRACE-eligible Corporate Securities within 15 minutes of the time of execution. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).
4. During the twelfth review period 3Q15, the firm failed to accurately report to TRACE the time of execution for 39 transactions in TRACE-eligible Corporate Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).

In connection with FINRA matter No. 20160518554:

During the thirteenth review period 2Q/3Q16, the firm failed to report 12 new issue offerings in TRACE-eligible Agency Debt Securities to FINRA in accordance with the time frame set forth in FINRA Rule 6760(c). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6760(c).

In connection with FINRA matter No. 20160518119:

1. During the fourteenth review period/3Q16, the firm reported to TRACE 100 transactions in TRACE-eligible Securitized Products with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
2. During the fourteenth review period/3Q16, the firm failed to show the correct time of execution on the memorandum of 100 brokerage orders. The conduct described in

this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.

In connection with FINRA matter No. 20160518887:

During the fifteenth review period 3Q/4Q16, the firm failed to report to TRACE 64 block S1 transactions in TRACE-eligible Agency Debt Securities within the time required by FINRA Rule 6730. These 64 block S1 transactions constituted 10.67% of the total number of block S1 transactions in TRACE-eligible Agency Debt Securities (600) that the firm reported to TRACE during the review period. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).

In connection with FINRA matter No. 20170531950:

During the sixteenth review period 4Q16, the firm failed to report 100 transactions in TRACE-eligible Corporate Debt Securities within the time required by FINRA Rule 6730. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a), and a pattern or practice of late reporting without exceptional circumstances in violation of FINRA Rule 2010.

In connection with FINRA matter No. 20170530680:

During the seventeenth review period 2H16, the firm failed to report 89 new issue offerings in TRACE-eligible Asset Backed Securities to FINRA in accordance with the time frame set forth in FINRA Rule 6760(c). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6760(c).

In connection with FINRA matter No. 20160518322:

1. During the eighteenth review period 3Q16, the firm reported to TRACE 100 transactions in TRACE-eligible Corporate Debt Securities with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
2. During the eighteenth review period 4Q16, the firm reported to TRACE 99 transactions in TRACE-eligible Corporate Debt Securities with a reported trade execution time that was inaccurate. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(8).
3. During the eighteenth review period 3Q16, the firm failed to report in a timely manner 98 transactions in TRACE-eligible Corporate Debt Securities to TRACE within the time required by FINRA Rule 6730(a). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).

4. During the eighteenth review period 4Q16, the firm failed to report in a timely manner 99 transactions in TRACE-eligible Corporate Debt Securities to TRACE within the time required by FINRA Rule 6730(a). The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(a).
5. During the eighteenth review period 3Q16, the firm failed to show the correct time of execution on the memorandum of 98 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.
6. During the eighteenth review period 4Q16, the firm failed to show the correct time of execution on the memorandum of 97 brokerage orders. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 17a-3 and FINRA Rule 4511.

In connection with FINRA matter No. 20160519261:

1. During the nineteenth review period 3Q16, the firm failed to report to TRACE the correct contra-party's identifier for 62 transactions in TRACE-eligible Corporate Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(6).
2. During the nineteenth review period 4Q16, the firm failed to report to TRACE the correct contra-party's identifier for 52 transactions in TRACE-eligible Corporate Debt Securities. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(c)(6).
3. During the nineteenth review period 3Q16, the firm failed to report to TRACE 15 transactions in TRACE-eligible Corporate Debt Securities that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(1).
4. During the nineteenth review period 4Q16, the firm failed to report to TRACE six (6) transactions in TRACE-eligible Corporate Debt Securities that it was required to report. The conduct described in this paragraph constitutes separate and distinct violations of FINRA Rule 6730(b)(1).

OTHER FACTORS

In assessing sanctions for this matter, Enforcement took into consideration that the firm, following the initiation of these reviews, conducted an internal investigation into the causes of

the firm's systemic TRACE reporting violations and presented its findings to FINRA. In addition, the firm retained an independent consultant and initiated a firm-wide remediation plan.¹

B. Respondent also consents to the imposition of the following sanctions:

A censure and fine of \$1,100,000 (\$450,000 for supervision and \$650,000 for TRACE reporting violations and books and records). Additionally, within 60 days of acceptance of this AWC by the National Adjudicatory Council ("NAC"), the firm must provide a report that describes (1) the corrective action that the firm has completed during the year preceding this AWC to address regulatory issues and violations addressed in this AWC; (2) the ongoing corrective action, including changes to the firm's policies, procedures, systems and employee training, that the firm is in the process of completing, including a copy of any report completed by the firm's independent consultant; and (3) the firm personnel, identified by name and current title, including senior management, business, and compliance personnel, responsible for ensuring compliance with TRACE reporting requirements. The description of the ongoing corrective action must provide a timeline by which the firm determines that the ongoing corrective action will be implemented. The firm will provide two subsequent reports on the progress of the identified ongoing corrective action, the first of which shall be provided six months after the date of the initial report and the second of which shall be provided one year after the date of the initial report.

Respondent agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed. Respondent specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against the firm;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;

¹ See FINRA Regulatory Notice 08-70 (Nov. 2008).

- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding

brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects the firm's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of the firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce the firm to submit it.

12/5/17
Date

Respondent

Deutsche Bank Securities, Inc.

By: [Signature]

Name: Steven F. Reich

Title: General Counsel - Americas

By: [Signature]

Name: Joe Salama
Managing Director &
Associate General Counsel

Title: _____

Reviewed by:

[Signature]
Joseph Boryshansky
Akin Gump Strauss Hauer & Feld LLP
Counsel for Respondent

Accepted by FINRA:

12/13/17
Date

Signed on behalf of the
Director of ODA, by delegated authority

[Signature]
Robert Marchman
Executive Vice President
FINRA Department of Enforcement