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Office of the Chief Accountant
United States Securities and Exchange Commission
100 F Street N.E.
Washington, DC 20549
U.S.A.

29 July 2011

Re: Work Plan for Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers – Exploring a Possible Method of Incorporation

Dear Mr. Kroeker,

Deutsche Bank appreciates the opportunity to comment on the Securities and Exchange Commission (SEC) Staff Paper on *Work Plan for the Consideration of Incorporating International financial Reporting Standards into the Financial Reporting System for U.S. Issuers – Exploring a Possible Method of Incorporation*.

Deutsche Bank prepares its consolidated financial statements under International Financial Reporting Standards (IFRS). It currently files a Form 20F with the SEC, including financial statements prepared in accordance with IFRS as promulgated by the International Accounting Standards Board (IASB). While IFRS is the primary financial reporting framework for Deutsche Bank, it has U.S. based subsidiaries that issue financial statements prepared in accordance with US GAAP.

Overall, we support the SEC's commitment to incorporate IFRS into the US financial reporting system as well as its effort to explore and evaluate alternatives to facilitate this process. We believe that a fully-converged accounting framework will benefit not only U.S. issuers, but also those IFRS reporters with U.S. subsidiaries as it reduces the burden to maintain two sets of accounting books and promotes efficiency of financial reporting. More importantly, users of the financial statements will welcome the enhanced comparability of financial reporting under a single set of high quality globally accepted accounting standards.

We provide our comments in the following sections:

1. Role of the Financial Accounting Standards Board (FASB)

   While we recognize it is important for FASB to play a role in the continuing development and improvement of IFRS, it is not clear to us how that interaction will occur as a practical matter, in particular, relating to those IFRS that are not part of the projects under the Memorandum of Understanding (MOU). Does the SEC contemplate that the

FASB would continue to have access to the IASB deliberations as much as it does today, or would it be more comparable to the access that standard setting bodies of other countries currently have (including those that have already adopted or converged with IFRS). In either case, we believe that an acceptable approach should be agreed with the IASB, a process that may need to include discussions with other standard setters and securities regulators as well.

We have some concerns with the FASB's authority to modify and/or add disclosure requirements or provide interpretative guidance in incorporating new IFRS into US GAAP. Although the SEC expects that such circumstances would be rare and generally avoidable, we urge that only in exceptional cases should a departure or variation from IFRS be considered and that the FASB be required to carefully balance the consequences before exercising this authority. This is because a "US-flavored" IFRS would not be helpful to the convergence process and could reduce comparability among issuers. It is counterintuitive to think that US issuers might be required to comply with IFRS as interpreted or amended by the FASB, while Foreign Private Issuers would be required to comply with IFRS as promulgated by the IASB. We recommend that in the rare circumstances where a departure from IFRS is deemed critically necessary, the FASB be required to issue a position paper to explain the reason for its decision which should be ratified by the SEC. In this regard, we are disappointed by the FASB and IASB's recent inability to resolve their differences in Offsetting, a topic which we believe should be quite susceptible to convergence. We hope that this decision will not set a precedent on the other important joint projects and urge the Boards to work hard to find common ground to achieve convergence.

2. Role of the SEC

We acknowledge that any incorporation approach would not affect the SEC's responsibility to protect investors' interests, maintain the transparency for financial reporting and facilitate capital formation under U.S. regulation. We also agree that the SEC, as well as regulators in other jurisdictions, should play an important role in providing input and comments in the IFRS standard-setting process and the other broader activities of the IASB. We would not envision that the SEC's future role be significantly different from its current involvement with the IASB.

We are, however, concerned with the extent to which the SEC would issue guidance on the application of IFRS. It is our view that every effort should be made to limit such guidance to supplemental disclosure requirements, as opposed to an interpretation of how to apply a particular IFRS. For instance, supplemental disclosure could be developed or continued in relation to certain industry accounting practices or guidance that are currently not included in IFRS but would provide relevant and critical information to the investors. If an issuer were required to provide supplemental information as a means to satisfying concerns of the SEC or FASB, that entity would still be able to assert its financial statements are in accordance with IFRS as promulgated by the IASB, thereby reducing concerns about differing national versions of IFRS. We therefore view such an approach as an opportunity for the SEC to demonstrate further leadership and innovation in the effort to achieve global convergence while addressing national concerns.

3. Transition

While we understand the merits of a gradual implementation in respect of resource management and human capital readiness, we believe that this may not be in the best interest for some US Issuers when they are better positioned, either currently or in the near term, to switch to IFRS. Depending on the success of completion of the MOU projects, we feel that a transition time period of 5-7 years could be too long. As pointed out in the staff paper, during this period, US GAAP would be a hybrid standard that is neither IFRS nor current US GAAP in its entirety. A lengthy transition process for US Issuers would hurt comparability and should be shortened when it is practically possible. For these reasons, we support an approach that permits an option of early transition.

We hope you find our comments useful and relevant, and look forward to continue working with you in the future. Should you want to discuss in more detail the contents of the letter, please do not hesitate to contact me at cynthia.mustafa@db.com or phone number 44 20 754 50978.

Yours sincerely,

Cynthia Mustafa

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