



## NEWS RELEASE

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### **Colorado Securities Commissioner Agrees to Deutsche Bank Securities Inc. Auction Rate Securities Settlement**

Colorado Securities Commissioner Fred Joseph announced today the terms of a settlement between the Colorado Division of Securities and Deutsche Bank Securities Inc. ("DBSI"). Under the terms of the settlement, DBSI agreed to buy back \$21.4 million worth of auction rate securities from retail Colorado investors who found themselves unable to sell their securities after they had been frozen in the auction rate securities ("ARS") market.

The settlement concludes an investigation led by state securities regulators, including the Colorado Division of Securities, into allegations that DBSI failed to ensure that all of its sales representatives made appropriate disclosures to customers regarding the nature and risks of auction rate securities. The ARS markets froze in February of 2008, triggering a flood of complaints from investors who could not withdraw money from their accounts. States received complaints from a wide range of investors who suffered significant financial damage because the money they were told was liquid was tied up in the frozen ARS market.

"Securing a liquidity solution for retail investors in the auction rate securities market has been the primary objective of our investigations, and this agreement with Deutsche Bank Securities achieves that goal. We are pleased to see that they have resolved this problem," said Colorado Securities Commissioner Fred Joseph.

This settlement is the eighth that the Securities Commissioner has finalized. Previous settlements include Citigroup Global Markets, Bank of America Securities, Credit Suisse Securities, JP Morgan Chase, Merrill Lynch, RBC Capital Markets, and Wachovia Securities.

This investigation was part of a larger state-led effort to address problems in connection with the offer and sale of auction rate securities. State regulators, including Colorado, are continuing their investigations into possible misconduct by other firms, and have reached agreements to settle with some of these firms.

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