

NEW GERMANY FUND INC

Form DEF 14A

May 17, 2011

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**SCHEDULE 14A**  
(RULE 14a-101)  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the Securities**  
**Exchange Act of 1934**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary proxy statement.

**Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2)).**

Definitive proxy statement.

Definitive additional materials.

Soliciting material under Rule 14a-12.

**THE NEW GERMANY FUND, INC.**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (check the appropriate box):

No fee required.

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**THE NEW GERMANY FUND, INC.  
345 Park Avenue  
New York, New York 10154**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
June 27, 2011**

To our Stockholders:

Notice is hereby given that the Annual Meeting of Stockholders (the Meeting ) of The New Germany Fund, Inc., a Maryland corporation (the Fund ), will be held at 11:00 a.m., New York time, on June 27, 2011 at the New York Marriott East Side Hotel, 525 Lexington Avenue, New York, New York 10017 for the following purposes:

1. To elect three (3) Class II Directors, each to serve for a term of three years and until their successors are elected and qualify.
2. To ratify the appointment by the Audit Committee and the Board of Directors of PricewaterhouseCoopers LLP, an independent registered public accounting firm, as independent auditors for the fiscal year ending December 31, 2011.
3. To transact such other business as may properly come before the Meeting or any postponement or adjournment thereof including acting upon one stockholder proposal presented in the Proxy Statement accompanying this Notice, if the proposal is brought before the meeting by the proponent or his representative that is qualified under state law to present the proposal on his behalf.

Only holders of record of Common Stock at the close of business on May 13, 2011 are entitled to notice of, and to vote at, this Meeting or any postponement or adjournment thereof.

By Order of the Board of Directors

John Millette  
Secretary

Dated: May 19, 2011

**We urge you to mark, sign, date and mail the enclosed proxy card in the postage-paid envelope provided or to record your voting instructions by telephone or via the Internet so that you will be represented at the Meeting. If you complete and sign the proxy card (or tell us how you want to vote by voting by telephone or via the Internet), we will vote it exactly as you tell us. If you simply sign the proxy card, we will vote it in accordance with the Board's recommendation on the Proposals. Your prompt return of the enclosed proxy card (or your voting by telephone or via the Internet) may prevent the necessity and expense of further solicitations. If you have any questions, please call The Altman Group, Inc. ( Altman ), the Fund's proxy solicitor, at 1200 Wall Street West, 3<sup>rd</sup> Floor, Lyndhurst, New Jersey 07071 or at the special toll-free number we have set up for you (1-800-845-1507), or contact your financial advisor.**



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**THE NEW GERMANY FUND, INC.  
345 Park Avenue  
New York, New York 10154**

**Annual Meeting of Stockholders  
June 27, 2011**

**PROXY STATEMENT**

This Proxy Statement is furnished by the Board of Directors of The New Germany Fund, Inc. (the Board of Directors or Board ), a Maryland corporation (the Fund ), in connection with the solicitation of proxies for use at the Annual Meeting of Stockholders (the Meeting ) to be held at 11:00 a.m., New York time, on June 27, 2011 at the New York Marriott East Side Hotel, 525 Lexington Avenue, New York, New York 10017. The purpose of the Meeting and the matters to be considered are set forth in the accompanying Notice of Annual Meeting of Stockholders.

If the accompanying Proxy Card is executed properly and returned, shares represented by it will be voted at the Meeting, and any postponement or adjournment thereof, in accordance with the instructions on the Proxy Card. However, if no instructions are specified, shares will be voted FOR the election of three (3) Class II directors of the Fund ( Directors ) nominated by the Board (Proposal 1), and FOR the ratification of the appointment by the Audit Committee and the Board of PricewaterhouseCoopers LLP, an independent public accounting firm, as independent auditors for the Fund (Proposal 2). A proxy may be revoked at any time prior to the time it is voted by written notice to the Secretary of the Fund, by submitting a subsequently executed and dated proxy or by attending the Meeting and voting in person.

If a stockholder owns shares of the Fund in violation of applicable law, including the Investment Company Act of 1940, as amended (the Investment Company Act ), the Fund may determine that any vote attributable to such shares shall not be counted, or that such shares will not be counted for quorum purposes, or both. Under Section 12(d)(1) of the Investment Company Act, the acquisition of more than 3% of the Fund's common stock by another fund (whether registered, private or offshore) is unlawful. There is legal uncertainty about the operation of Section 12(d)(1) and about the Fund's right under federal and state law to invalidate votes cast by any person whose Fund shares are held in violation of law. The Fund is prepared, if necessary, to seek judicial resolution of the uncertainty in any particular case.

The close of business on May 13, 2011 has been fixed as the record date for the determination of stockholders entitled to notice of, and to vote at, the Meeting. On that date, the Fund had 17,764,652.89 shares of Common Stock outstanding and entitled to vote. Each share will be entitled to one vote on each matter that comes before the Meeting. It is expected that the Notice of Annual Meeting, this Proxy Statement and the form of Proxy Card will first be mailed to stockholders on or about May 19, 2011.

A quorum is necessary to hold a valid meeting. If stockholders entitled to cast one-third of all votes entitled to be cast at the Meeting are present in person or by proxy, a quorum will be established. The Fund intends to treat properly executed proxies that are marked abstain and broker non-votes (defined below) as present for the purposes of determining whether a quorum has been achieved at the Meeting. Under Maryland law, abstentions do not constitute a vote for or





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against a matter and will be disregarded in determining the votes cast on an issue. A broker non-vote occurs when a broker holding shares for a beneficial owner does not vote on a particular matter because the broker does not have discretionary voting power with respect to that matter and has not received instructions from the beneficial owner.

**PROPOSAL 1:**

**ELECTION OF DIRECTORS**

The Fund's charter (the Charter) provides that the Board of Directors be divided into three classes of Directors serving staggered three-year terms and until their successors are elected and qualify. The term of office for Directors in Class II expires at the 2011 Annual Meeting, Class III at the next succeeding annual meeting and Class I at the following succeeding annual meeting. Three Class II nominees, Mr. John H. Cannon, Mr. Joachim Wagner and Mr. Werner Walbröl, are proposed in this Proxy Statement for election. If elected, each of the three Class II nominees will serve a three-year term of office until the Annual Meeting of Stockholders in 2014 and until his respective successor is elected and qualifies. Mr. John Bult, a Class II director, will not stand for re-election pursuant to the Fund's retirement policy.

Should any vacancy occur on the Board of Directors, the remaining Directors would be able to fill that vacancy by the affirmative vote of a majority of the remaining Directors in office, even if the remaining Directors do not constitute a quorum. Any Director elected by the Board to fill a vacancy would hold office until the remainder of the full term of the class of Directors in which the vacancy occurred and until a successor is elected and qualifies. If the size of the Board is increased, additional Directors will be apportioned among the three classes to make all classes as nearly equal as possible.

Unless authority is withheld, it is the intention of the persons named in the accompanying form of Proxy Card to vote each Proxy Card for the election of our five nominees listed above. Each nominee has indicated that he will continue to serve as a Director if elected, but if any nominee should be unable to serve, proxies will be voted for any other person determined by the persons named in the form of Proxy Card in accordance with their discretion. The Board of Directors has no reason to believe that any of the above nominees will be unable to serve as a Director.

**Board of Directors Information**

The management of the business and affairs of the Fund is overseen by the Board of Directors. Directors who are not interested persons of the Fund as defined in the 1940 Act, are referred to as Independent Directors, and Directors who are interested persons of the Fund are referred to as Interested Directors. Certain information concerning the Fund's governance structure and each Director is set forth below.

*Experience, Skills, Attributes, and Qualifications of the Fund's Directors.* The Nominating and Governance Committee of the Fund's Board, which is composed entirely of Independent Directors, reviews the experience, qualifications, attributes and skills of potential candidates for nomination or election by the Board, and conducts a similar review in connection with the proposed nomination of current Directors for re-election by stockholders. When assessing a candidate for nomination it is the policy of the Nominating and Governance Committee to consider whether the individual's background, skills, and experience will complement the background, skills and experience of other nominees and will contribute to the diversity of the Board. The Nominating and Governance Committee assesses the effectiveness of this policy as part of its annual self assessment.

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Additional information concerning the Nominating and Governance Committee's consideration of nominees appears in the description of the Committee following the table below.

The Board has concluded that, based on each Director's experience, qualifications, attributes or skills on an individual basis and in combination with those of the other Directors, that each Director is qualified and should continue to serve as such. In determining that a particular Director was and continues to be qualified to serve as a Director, the Board has considered a variety of criteria, none of which, in isolation, was controlling. In addition, the Board has taken into account the actual service and commitment of each Director during his tenure (including the Director's participation in Board and committee meetings, as well as his current and prior leadership of standing and ad hoc committees) in concluding that each should continue to serve. Information about the specific experience, skills, attributes and qualifications of each Director, which in each case led to the Board's conclusion that the Director should serve (or continue to serve) as a director of the Fund, is provided in the table following the Risk Oversight section below.

The Board believes that, collectively, the Directors have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the Fund and protecting the interests of shareholders. Among other attributes common to all Directors are their willingness and ability to commit the necessary time and attention to their duties as Directors, their ability to review critically, evaluate, question and discuss information provided to them (including information requested by the Directors), to interact effectively with each other and with Deutsche Investment Management Americas Inc., the fund's investment manager (the Investment Manager), Deutsche Asset Management International GmbH (the Investment Adviser) and other service providers, counsel and the Fund's independent registered public accounting firm, to exercise effective business judgment in the performance of their duties as Directors. References to the qualifications, attributes and skills of Directors are pursuant to requirements of the Securities and Exchange Commission, do not constitute holding out of the Board or any Director as having special expertise or experience and shall not be deemed to impose any greater responsibility or liability on any Director or on the Board by reason thereof.

***Board Structure and Oversight Function.*** The Board is responsible for oversight of the Fund. The Fund has engaged the Investment Manager and the Investment Adviser to manage the Fund on a day-to-day basis. The Board is responsible for overseeing the Investment Manager and the Investment Adviser and the Fund's other service providers in the operations of each Fund in accordance with the Fund's investment objective and policies and otherwise in accordance with the requirements of the 1940 Act and other applicable Federal, state and other securities and other laws, and the Fund's charter and bylaws. The Board meets in person at regularly scheduled meetings four times throughout the year. In addition, the Directors may meet in person or by telephone at special meetings or on an informal basis at other times. The Directors also regularly meet outside the presence of any representatives of the Investment Manager and the Investment Adviser. As described below, the Board has established five standing committees—the Audit, Nominating and Governance, Advisory, Valuation and Executive Committees—and may establish ad hoc committees or working groups from time to time, to assist the Board in fulfilling its oversight responsibilities. Each committee other than the Executive Committee is composed exclusively of Independent Directors. Each year the Directors evaluate the performance of the Board and its committees. The responsibilities of each committee, including its oversight responsibilities, are described further below. The Independent Directors have also engaged independent legal counsel, and may from time to time engage consultants and other advisors, to assist them in performing their oversight responsibilities.

The Chairman's duties include setting the agenda for each Board meeting in consultation with management, presiding at each Board meeting, meeting with management between Board meetings,

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and facilitating communication and coordination between the Directors and management. Christian Strenger, the Chairman of the Fund's Board of Directors is an Interested Director as defined in the 1940 Act because he is a member of the Supervisory Board of a company that is affiliated with the Investment Manager and the Investment Adviser and because of his ownership of shares of the ultimate parent of the Investment Manager and the Investment Adviser. The Directors believe that it is appropriate for Mr. Strenger to serve as Chairman and that his service benefits shareholders because of his extensive knowledge of the investment management industry, the Deutsche Bank organization and the Funds. In addition, the Directors note that, although Mr. Strenger is an Interested Director as defined in the 1940 Act, he is not involved in the management of the Fund and is not an officer or director of the Investment Manager or the Investment Adviser. The Independent Directors are satisfied that they can act independently and effectively without having an Independent Director serve as Chairman and note that a key structural component for ensuring that they are in a position to do so is for the Independent Directors to constitute a substantial majority of the Board. Richard Karl Goeltz, an Independent Director and Chairman of the Nominating and Governance Committee, serves as Lead Independent Director for the Fund and as such is available to act as liaison between the Independent Directors and management and to consult with the Chairman to the extent deemed appropriate.

*Risk Oversight.* The Fund is subject to a number of risks, including investment, compliance and operational risks. Day-to-day risk management with respect to the Fund resides with the Investment Manager and the Investment Adviser or other service providers (depending on the nature of the risk), subject to supervision by the Investment Manager. The Board has charged the Adviser and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrable and material adverse effects on the Fund; (ii) to the extent appropriate, reasonable or practicable, implementing processes and controls reasonably designed to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously, and to revise as appropriate, the processes and controls described in (i) and (ii) above.

Risk oversight forms part of the Board's general oversight of each Fund's investment program and operations and is addressed as part of various regular Board and committee activities. Each of the Investment Manager, the Investment Adviser, and the Fund's other principal service providers has an independent interest in risk management but the policies and the methods by which one or more risk management functions are carried out may differ from the Fund's and each other's in the setting of priorities, the resources available or the effectiveness of relevant controls. Oversight of risk management is provided by the Board and the Audit Committee. The Directors regularly receive reports from, among others, management, the Fund's Chief Compliance Officer, its independent registered public accounting firm, counsel, and internal auditors for the Investment Manager, as appropriate, regarding risks faced by the Fund and the Investment Manager's risk management programs.

Not all risks that may affect the Fund can be identified, nor can controls be developed to eliminate or mitigate their occurrence or effects. The processes and controls employed to address certain risks may be limited in their effectiveness, and some risks are simply beyond the reasonable control of the Fund or the Investment Manager, its affiliates or other service providers. Moreover, it is necessary to bear certain risks (such as investment-related risks) to achieve the Fund's goals.

**Table of Contents****Information Regarding Directors and Officers**

The following tables show certain information about the nominees for election as Directors and about Directors whose terms will continue, including beneficial ownership of Common Stock of the Fund, and about all officers of the Fund. Most current Directors resident in the United States own Fund shares. The Fund has elected to be subject to the statutory calculation, notification and publication requirements of the German Investment Tax Act (Investmentsteuergesetz) (the Act) for the fiscal year ended December 31, 2010 and intends to elect to be subject to the Act for the fiscal year ending December 31, 2011. Prior thereto, Directors who are German residents would have been subject to adverse German tax consequences if they owned shares of a fund organized outside of Germany, such as the Fund, that was not subject to German regulation or tax reporting. In light of the Fund's election to be subject to the Act, the Board of Directors encourages all Directors of the Fund (including those who are German residents) to invest in the Fund.

**Nominees Proposed for Election:**

**Class II Directors**  
(Term will Expire in 2011; Nominees for Term Expiring in 2014<sup>(1)</sup>)

Name, Address <sup>(1)</sup> & Age	Position(s) with Fund	Length of Time Served	Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*	Number of Portfolios in Fund Complex <sup>(2)</sup> Overseen by Director	Other Directorships Held by Director During Past Five Years <sup>(3)</sup>	Share Comm Stoc Benefic Owne March 2011
<b>Non-Interested Directors</b>						
H. Cannon, 69	Director	Since 1990	Consultant (since 2002). Formerly, Vice President and Treasurer, Venator Group/Footlocker, Inc. (footwear retailer) (1982-2002).	3	Director of The Central Europe and Russia Fund, Inc. (since 2004) and The European Equity Fund, Inc. (since 2004). <sup>(2)</sup>	5,91
Tim Wagner, 64	Director	Since 2009	Chief Financial Officer, RAG Beteiligungs AG/Evonik Industries AG, Germany (mining holding company) (2006-2009). Formerly, Chief Financial Officer, Degussa AG, Germany (chemical manufacturer) (2001-2006). Mr. Wagner is also a member of the Supervisory Board of a German retail bank and a member of the advisory board of a private German bank.	2	Director of The European Equity Fund, Inc. (since 2009) <sup>(2)</sup>	Non



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**Class II Directors**  
**(Term will Expire in 2011; Nominees for Term Expiring in 2014<sup>(1)</sup>)**

Name, Address <sup>(1)</sup> & Age	Position(s) with Fund	Length of Time Served	Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*	Number of Portfolios in Fund Complex <sup>(2)</sup> Overseen by Director	Other Directorships Held by Director During Past Five Years <sup>(3)</sup>	Share Comm Stoc Benefi Owne March 2011
er Walbröl, 73	Director	Since 2004	Delegate for North American Humboldt Universität (Berlin). Formerly, President and Chief Executive Officer, The European American Chamber of Commerce, Inc. (2004-2008); President and Chief Executive Officer, The German American Chamber of Commerce, Inc. (until 2003). Mr. Walbröl is also a Director of The German American Chamber of Commerce, Inc. President and Director, German-American Partnership Program (student exchange programs), and a Director of an independent testing and assessment company.	3	Director of The Central Europe and Russia Fund, Inc. (since 1990) and The European Equity Fund, Inc. (since 1986). <sup>(2)</sup>	1,88

**Table of Contents****Directors whose terms will continue:**

**Class III Directors  
(Term will Expire in 2012)**

Address <sup>(1)</sup> & Age	Position(s) with Fund	Length of Time Served	Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*	Number of Portfolios in Fund Complex <sup>(2)</sup> Overseen by Director	Other Directorships Held by Director During Past Five Years <sup>(3)</sup>
<b>Non-Interested Directors</b>					
Director R. Burt, 64	Director	Since 2004	Managing Director, McLarty Associates (international strategic advisory) (since 2007). Formerly, Chairman, Diligence, Inc. (international information and risk management firm) (2002-2007); Chairman of the Board, Weirton Steel Corp. (1996-2004); Partner, McKinsey & Company (consulting firm) (1991-1994); State Department Chief Negotiator in charge of negotiating the Arms Treaty with Russia (1989-1991); U.S. Ambassador to the Federal Republic of Germany (1985-1989). Mr. Burt is also Director, IGT, Inc. (gaming technology) (since 1995), and HCL Technologies Inc. (information technology and product engineering) (since 1999) and member, Textron Inc. International Advisory Council (aviation, automotive, industrial operations and finance)	3	Director of The Central Europe and Russia Fund, Inc. (since 2000) and The European Equity Fund, Inc. (since 2000). <sup>(2)</sup> Director, UBS family of mutual funds (since 1995).

(since 1996).



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**Class III Directors**  
**(Term will Expire in 2012)**

<b>Address<sup>(1)</sup> &amp; Age</b>	<b>Position(s) with Fund</b>	<b>Length of Time Served</b>	<b>Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*</b>	<b>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Director</b>	<b>Other Directorships Held by Director During Past Five Years<sup>(3)</sup></b>	<b>Share Class</b>
z Wilhelm Hopp,	Director	Since 1993	Partner of Laplace Finanzconsulting GmbH (asset management). Member of the Supervisory Board WAVE AG (asset management). Former member of the Board of Management of KarstadtQuelle Pension Trust e.V. (February 2007-September 2009).	3	Director of The Central Europe and Russia Fund, Inc. (since 2008) and The European Equity Fund, Inc. (since 2008). <sup>(2)</sup>	M
lbert H. Malt, 69	Director	Since 2007	Vice Chairman and Member of the Executive Committee of NOL Neptune Orient Lines Ltd., Singapore ( NOL ) (since 2002). He currently is also a Director of NOL (since 2000) and TÜV Rheinland of North America, Inc., a company offering independent testing and assessment services. Formerly, Dr. Malt was a Member of the Executive Board of DG Bank (now DZ Bank), Frankfurt (until 2001).	3	Director of The Central Europe and Russia Fund, Inc. (since 2007) The European Equity Fund, Inc. (since 2007). <sup>(2)</sup>	M
k Trömel, 75 <sup>(6)(7)</sup>	Director	Since 1990	Deputy Chairman of the Supervisory Board of DELTON AG (strategic management holding company operation in the pharmaceutical, household products, logistics and power	1	Formerly director of The Central Europe and Russia Fund, Inc. (2005-2009) and The European Equity Fund, Inc. (2005-2009).	M

supply sectors)  
(2000-2006). Member  
(since 2000) and  
Vice-President  
(2002-2006) of the  
German Accounting  
Standards Board.

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<b>Class I Directors (Term will Expire in 2013)</b>							<b>Share Comm Stoc Benefi Owne March 2011</b>
<b>Name, Address<sup>(1)</sup> &amp; Age</b>	<b>Position(s) with Fund</b>	<b>Length of Time Served</b>	<b>Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*</b>	<b>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Director</b>	<b>Other Directorships Held by Director During Past Five Years<sup>(3)</sup></b>		
<b>Non-Interested Directors</b>							
Mr. Bierbaum, 68	Director	Since 1990	Consultant (since 2010). He is also Vice Chairman of the Supervisory Board of Oppenheim KAG GmbH (asset management) and a member of the Supervisory Board of Deutsche Bank Österreich AG (private bank) for more than five years. Mr. Bierbaum also serves as a member of the Board or Supervisory Board of a number of non-U.S. investment companies and of companies in diverse businesses including insurance, reinsurance, real estate, and retailing. He is a former member of the Supervisory Board of Sal. Oppenheim Jr. & Cie KGaA (private bank) (2008 to March 2010) and was formerly a partner of that firm. He is also a former member of the Supervisory Board of DWS Investment GmbH (asset management) (2005-2008).	3	Director of The Central Europe and Russia Fund, Inc. (since 1990) and The European Equity Fund, Inc. (since 1986). <sup>(2)</sup>	2,000	
Mr. Karl Goeltz, 68	Director	Since 1990	Retired. Formerly, Vice Chairman and Chief Financial Officer of American Express Co. (financial services)	3	Director of The Central Europe and Russia Fund, Inc. (since 2008) and The European Equity Fund, Inc. (since 2008). <sup>(2)</sup> Independent	12,100	

(1996-2000) and previously served as chief financial officer of two other major multi-national corporations. Mr. Goeltz is also a member of the Council and Court of Governors of the London School of Economics and Political Science, Trustee of the American Academy in Berlin and of other charitable organizations.

Non-Executive Director of Aviva plc (financial services) and The Warnaco Group, Inc. (apparel). Formerly director of Federal Home Loan Mortgage Corporation and Delta Air Lines, Inc. (air transport).

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<b>Class I Directors</b> <b>(Term will Expire in 2013)</b>							<b>Share</b>
<b>Name, Address<sup>(1)</sup> &amp; Age</b>	<b>Position(s) with Fund</b>	<b>Length of Time Served</b>	<b>Principal Occupation(s) During Past Five Years or Longer and Other Relevant Qualifications*</b>	<b>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Director</b>	<b>Other Directorships Held by Director During Past Five Years<sup>(3)</sup></b>	<b>Beneficial Ownership March 31, 2011</b>	
Robert H. Wadsworth, 71	Director	Since 1992	President, Robert H. Wadsworth Associates, Inc. (investment management consulting firm) (1983 to present). Mr. Wadsworth also has experience as an owner and chief executive officer of various businesses serving the mutual fund industry, including a registered broker-dealer and a registered transfer agent, and has served as a senior executive officer of several mutual funds.	116 <sup>(8)</sup>	Director of The Central Europe and Russia Fund, Inc. (since 1990) and The European Equity Fund, Inc. (since 1986), <sup>(2)</sup> as well as other funds in the Fund Complex as indicated. <sup>(5)</sup>	5,94	
Christian H. Strenger <sup>(10)</sup> ,	Director and Chairman	Since 1990	<b>Interested Director<sup>(5)</sup></b> Member of Supervisory Board (since 1999) and formerly Managing Director (1991-1999) of DWS Investment GmbH (investment management), a subsidiary of Deutsche Bank AG. Mr. Strenger is also Member, Supervisory Board, Evonik Industries AG (chemical, utility and property business), Fraport AG (international airport business), Hermes Equity Ownership Services Ltd. (governance advisory) and TUI AG (travel business).	3	Director of The Central Europe and Russia Fund, Inc. (since 1990) and The European Equity Fund, Inc. (since 1986). <sup>(2)</sup>	1,00	

\* The information above includes each Director's principal occupation during the last five years and other information relating to the experience, attributes and skills relevant to each Director's qualifications to serve as a Director, which led (together with the Director's current and prior experience as a Director of other SEC reporting companies, if any, as indicated elsewhere in the table) to the conclusion that each Director should serve as a Director for the Fund.

**Table of Contents****Executive Officers<sup>(9)</sup>**

<b>Name, Address<sup>(1)</sup> &amp; Age</b>	<b>Position(s) with Fund</b>	<b>Length of Time Served</b>	<b>Principal Occupation(s) During Past Five Years</b>	<b>Shares of Common Stock Beneficially Owned at March 31, 2011<sup>(4)</sup></b>
W. Douglas Beck, CFA, 44 <sup>(10)(11)</sup>	President and Chief Executive Officer	Since 2011	Managing Director <sup>(13)</sup> , Deutsche Asset Management and Head of Product Management, US for DWS Investments (since 2006). Formerly, Executive Director, Head of Product Management and President of the UBS Funds at UBS Global Asset Management (2002-2006).	None
Paul H. Schubert, 48 <sup>(10)(12)</sup>	Treasurer and Chief Financial Officer	Since 2004	Managing Director <sup>(13)</sup> , Deutsche Asset Management (since 2004). Formerly, Executive Director, Head of Mutual Fund Services and Treasurer for UBS Family of Funds at UBS Global Asset Management (1998-2004).	None
Rita Rubin, 40 <sup>(10)(14)</sup>	Chief Legal Officer	Since 2008	Director and Senior Counsel <sup>(13)(15)</sup> , Deutsche Asset Management (since 2007). Formerly, Vice President, Morgan Stanley Investment Management Inc. (2004-2007).	None
Alexis Kuchinsky, 35 <sup>(14)</sup>	Chief Compliance Officer	Since 2009	Vice President, Deutsche Asset Management (since 2002); Head of Compliance Program Oversight of Deutsche Asset Management.	None
John Caruso, 46 <sup>(10)(14)</sup>	Anti-Money Laundering Compliance Officer	Since 2010	Managing Director <sup>(13)</sup> , Deutsche Asset Management.	None
Rainer Vermehren, 43 <sup>(10)(16)</sup>	Vice President	Since 2010	Director <sup>(13)</sup> , DWS Investment GmbH (since 2007). Fund Manager, DWS Investment GmbH (since 1997).	None
John Millette, 48 <sup>(10)(17)(18)</sup>	Secretary	Since 2011	Director <sup>(13)</sup> , Deutsche Asset Management (since 2002).	None

- (1) The mailing address of all directors with respect to Fund operations is c/o Deutsche Investment Management Americas Inc., 345 Park Avenue, NYC20-2799, New York, New York 10154.
- (2) The Fund Complex includes The Central Europe and Russia Fund, Inc. and The New Germany Fund, Inc., which are other closed-end registered investment companies for which Deutsche Investment Management Americas Inc. acts as manager. It also includes 113 other open- and closed-end funds advised by wholly-owned entities of the Deutsche Bank Group in the United States.
- (3) Directorships are only for companies that file reports with the SEC.
- (4) As of March 31, 2011, all Directors, Nominees for election and Executive Officers as a group (19 persons) owned 33,807 shares, which constitutes less than 1% of the outstanding Common Stock of the Fund. Share numbers in this Proxy Statement have been rounded to the nearest whole share.



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- (5) Indicates Interested Person , as defined in the Investment Company Act. Mr. Strenger is an interested Director because of his affiliation with DWS-Deutsche Gesellschaft für Wertpapiersparen mbH ( DWS ), a majority-owned subsidiary of Deutsche Bank AG, and because of his ownership of Deutsche Bank AG shares. Prior to April 2010, Mr. Bierbaum was interested because of his prior relationships with Sal. Oppenheim Jr. & Cie KGaA, which executed portfolio securities transactions for the Fund and certain affiliated persons, and because of his former ownership of Deutsche Bank AG shares. John Bult, a Class II Director, is not standing for re-election pursuant to the Fund s retirement policy. Until the effective date of his resignation, Mr. Bult is an interested Director because of his affiliation with PaineWebber International, an affiliate of UBS Securities LLC, a registered broker-dealer.
- (6) Dr. Frank Trömel, a Class III director, is not standing for re-election pursuant to the Fund s retirement policy.
- (7) Dr. Trömel s son has been employed since March 1, 2002 by an indirect subsidiary of Deutsche Bank AG.
- (8) Mr. Wadsworth oversees all 116 funds in the Fund Complex.
- (9) Each also serving as an officer of The New Germany Fund, Inc. and The Central Europe and Russia Fund, Inc. The officers of the Fund are elected annually by the Board of Directors at its meeting following the Annual Meeting of Stockholders. Each of Mr. Schubert, Mr. Millette, Mr. Caruso and Ms. Rubin also serve as officers of the other Funds in the Fund Complex.
- (10) Indicates ownership of securities of Deutsche Bank AG either directly or through Deutsche Bank s deferred compensation plan.
- (11) Address: 345 Park Avenue, New York, NY 10154.
- (12) Address: 100 Plaza One, Jersey City, New Jersey 07311.
- (13) Executive title, not a board directorship.
- (14) Address: 60 Wall Street, New York, NY 10005.
- (15) Prior to February 1, 2011, Vice President and Counsel.
- (16) Address: Mainzer Landstrasse 178-190, Frankfurt am Main, Germany.
- (17) Since January 3, 2011. From July 14, 2006 to January 3, 2011 served as Assistant Secretary to the Fund. From January 30, 2006 to July 14, 2006 served as Secretary to the Fund.
- (18) Address: One Beacon Street, Boston, Massachusetts 02108.

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The following table contains additional information with respect to the beneficial ownership of equity securities by each Director or Nominee in the Fund and, on an aggregated basis, in any registered investment companies overseen by the Director or Nominee within the same Family of Investment Companies as the Fund:

<b>Name of Director or Nominee</b>	<b>Dollar Range of Equity Securities in the Fund<sup>(1)</sup></b>	<b>Aggregate Dollar Range of Equity Securities in All Funds Overseen by Director or Nominee in Family of Investment Companies<sup>(1),(2)</sup></b>
Detlef Bierbaum John Bult	\$10,001-\$50,000	Over \$100,000