

Commodity 12% p.a. Coupon Generator Autocall

For Professional Investors Only



BENEFITS

- ✓ Annual coupons of up to 12% p.a.
- ✓ Coupons of 1.5% per commodity paid when 1, 2, 3 or 4 of the commodities are above their starting levels, every 6 months
- ✓ Potential early return of capital on Autocall

RISKS

- ✗ Capital at risk: downside participation in the worst performer if it closes below the Barrier at maturity
- ✗ Coupons are not guaranteed
- ✗ Credit Issuer Risk

Product Category Rating: 2 – see Rating Explanation on back page for more information

PRODUCT DESCRIPTION

Issuer:	Commerzbank AG	
Long Term Ratings:	A3 (Moody's) / A (S&P) / Fitch A+	
Maturity:	5 years	
Product Type:	Coupon generator autocall note, linked to a basket of commodities	
Currency & Denomination:	USD / EUR / GBP ; Denominations of 1,000	
Underlyings:	Name	Bloomberg Ticker
	Active Brent Future	CO1 or CO2 Comdty
	LME Copper Official Cash Settlement	LOCADY Comdty
	LBMA Silver Fixing	SLVRLND Index
	LPPM Platinum PM Fixing	PLTMLNPM Index
Barrier:	50% of initial level of each Underlying observed at Maturity	
Coupon Payments:	A coupon of 1.5% will be paid for each Underlying that is at or above its Strike Level on each six-monthly Observation Date on the immediately following Coupon Payment Date	
Early Redemption:	If all 4 are at or above their Strike Levels on one of these Observation Dates, in addition to any coupon paid, the product autocalls.	
Key Dates:	Strike Date:	25 October 2012
	Payment Date:	01 November 2012
	Final Valuation Date:	25 October 2017
	Redemption Date:	30 October 2017
	Observation Dates:	25 April 2013, 25 October 2013, 25 April 2014, 27 October 2014, 27 April 2015, 26 October 2015, 25 April 2016, 25 October 2016, 25 April 2017, 25 October 2017
	Coupon Payment Dates:	30 April 2013, 30 October 2013, 30 April 2014, 30 October 2014, 30 April 2015, 29 October 2015, 28 April 2016, 28 October 2016, 28 April 2017, 30 October 2017
Investment Period:	1 October 2012 – 25 October 2012	
Conditional Capital protection at maturity:	Unless redeemed early, on the Final Valuation Date, in addition to any coupon paid, if the Worst Performing Underlying closes at or above its respective Barrier level, the Note holder will receive their invested capital on the Redemption Date . However, if the Worst Performing Underlying closes below its respective Barrier, the Note holder receives the final performance of the worst performer relative to its initial level: Worst Performer _{Final} / Worst Performer _{Initial}	
ISINs	USD: XS0839829180 EUR: XS0839826087 GBP: XS0839837878	

Information about this Investment

How this investment works

- › This investment is linked to the performance of four commodities. This provides a semi-annual coupon of 1.5% for each individual commodity that closes above strike which means investors can potentially get a maximum coupon of 6% per semester. In addition, there is also an autocall feature if all underlyings close above strike at each observation date. It also offers an attractive level of capital protection provided that, on the Final Observation Date, none of the underlying commodities closes below 50% of its value on Strike Date.
- › In the event that one (or more) of the underlying commodities closes below its 50% barrier levels on the Final Valuation Date, the investor's capital returned on the Redemption Date will be reduced on a one-to-one basis in line with the percentage decline of the worst performing commodity's value below the 50% barrier. Please see the explanation graph below.
- › However, 100% of the investors capital will be returned otherwise.

Payoff Diagram

	Observation	Coupon	Redemption	
Early Observation	Semi-annually: From month 6 to month 54 inclusively	1.5% * N (N = number of underlying above strike)	Does the worst performing underlying close above strike?	
			Yes?	No?
			Note early redeemed and 100% of the capital returned	Product continues
Final Observation	At Maturity	1.5% * N	Does the worst performing underlying close below 50% of strike?	
			Yes?	No?
			Investor will receive the performance of the worst performing underlying	100% of the capital is returned

Source: Commerzbank 2012

Underlyings' Details

- › **Brent:** Brent is increasingly being adopted as the global benchmark price of crude with its ability to evolve in order to reflect increased underlying liquidity in the North Sea physical market. Because Brent is seaborne, it can reach almost any market in the world by ship, reinforcing its global relevance and thus, trading activity and liquidity in ICE Brent futures and options.
- › **Silver:** London Silver Fixing done at midday in London. Silver's chemical and physical attributes, especially its antibacterial properties, make this particular metal a prime component in a growing list of applications, which include wound and burn care, drugs, consumer appliances, furniture, building materials, and, of course, consumer electronics, for example mobile phones, DVDs, plasma televisions and computers, as well as its precious metal status.
- › **Platinum:** Platinum is fixed twice daily at 9.45am and 2pm London time. This product uses the 2pm fixing as a reference. The price is fixed in U.S. dollars and is set by members of an informal Platinum/ Palladium Fixing 'Committee' comprising Standard Bank, Englehard Metals, HSBC and J.Aron & Co.
- › **Copper:** Copper: London Metal Exchange Cash Official Price Copper. This is the Official cash offer price determined at the end of the 2nd ring and often used in LME OTC swap settlements. Copper is an excellent conductor of electricity, as such one of its main industrial usage is for the production of cable, wire and electrical products for both the electrical and building industries. The construction industry also accounts for copper's second largest usage in such areas as pipes for plumbing, heating and ventilating as well as building wire and sheet metal facings.

Sources: ICE, LBMA, LPPM, LME, Bloomberg , October 2012

Commerzbank in the Structured Investment World

Overview

- › Over 170,000 products currently in issue
- › Approximately 20% market share in Germany (up to one million transactions per month)
- › Investment products for retail distributors, institutional and private banking clients
- › Regular issuance of notes by both Commerzbank and third party programmes
- › Bespoke structures including swaps, structured deposits, certificates and notes
- › Top positions by market share for securitised products in Germany, France, the UK, Italy, Portugal, Spain, Sweden and Russia

Source: Commerzbank 2012

Awards

<p>1 All Europe Best Manufacturer: Commodities Commerzbank</p> <p>Source: Euromoney European Structured Retail Products Awards 2012</p> <p>2012 </p>	<p>1 All Europe Best Overall Manufacturer Commerzbank</p> <p>Source: Euromoney European Structured Retail Products Awards 2012</p> <p>2012 </p>
<p>1 Best in Client Services Commerzbank</p> <p>Source: Euromoney European Structured Retail Products Awards 2012</p> <p>2012 </p>	<p>1 Best Issuer for Product Quality Commerzbank AG</p> <p>Source: Scope Awards 2012</p> <p>2012 </p>
<p>1 Best Issuer for Overall Transparency Commerzbank AG</p> <p>Source: Scope Awards 2012</p> <p>2012 </p>	<p>1 Best Issuer Certificates Commerzbank AG</p> <p>Source: Scope Awards 2012</p> <p>2012 </p>

Disclaimer

Product Category: 2

The product category indicates the payoff risk as explained in the table below. The rating is for information only, and is intended to provide investors with the means to understand and compare the payoffs associated with our products.

Rating	Explanation
1	If held until maturity, or a pre-defined early redemption date, the security holder will receive the capital invested back, subject to the issuer / counterparty Risk. Potential losses are limited to the potential gains, which are dependent on the performance of the chosen payoff.
2	The Capital or the Coupon (if any) or both are paid back to the investor, subject to the issuer / counterparty Risk, unless a pre-defined market event occurs. In that case The Capital or the Coupon (if any) or both may be fully at risk.
3	A portion of the Capital invested, or Coupon (if any), or both are either not at risk from the inception date; or the full repayment becomes effective on the occurrence of a pre-defined market event, subject to the issuer / counterparty Risk.
4	The capital invested is fully at risk. The investor may lose potential gains and initial capital subject to the underlying performance and the issuer / counterparty Risk.

Additional risk disclosures:

Before investing in this product, investors should carefully consider its appropriateness and suitability, and the following additional risks:

- Issuer Risk:** Any failure by the issuer to perform its contractual obligations, when due, may result in the loss of all or part of the invested capital.
- Counterparty Risk:** Any failure by Commerzbank AG to perform its contractual obligations, when due, may result in the loss of all or part of the invested capital.
- Market Risk:** Various market factors may affect the value of the investment or the underlying assets, including but not limited to the impact of volatility, interest rates, dividends (if any), foreign exchange.
- Liquidity / Secondary market Risk:** Under normal market conditions Commerzbank will endeavor to provide a secondary market price. However Commerzbank has no obligation to make a secondary market in the instruments concerned. Accordingly, under some circumstances, the secondary market for the investment may be limited and subject to wide bid / offer spreads.
- Reinvestment risk:** The risk that the investment redeems prior to maturity at a time when reinvestment opportunities are not favorable for the investor.
- Redemption Risk:** There may be tax implications based on where the investor resides. Please consult a tax professional before investing.
- Tax Risk:** There may be legal restrictions depending on where the investor is domiciled. It is advised to seek legal guidance prior to investing.
- Legal Risk:** There may be legal restrictions depending on where the investor is domiciled. It is advised to seek legal guidance prior to investing.

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