COMMERZBANK

5 year Autocallable on Ishares Brazil, Hang Seng China Index and S&P 500 Index (USD)

Key Facts:

- Maturity : Up to 5 years (if not previously autocalled)
- Currency: USD
- Underlyings:

  -EWZ US Equity
  -HSCEI Index
  -SPX Index
- Up to 19% p.a coupon
- Invested capital at risk at maturity if any Index is below 50% of its Strike Level
- ISIN: XS0705049525

Investment rationale:

You invest in some of the best performing economies in the world being Brazil, China and the United States.

- Brazil is the largest national economy in Latin America and the world's eighth largest economy at market exchange rates. Brazil's economy is diverse, encompassing agriculture, industry, and many services. Its recent economic strength has been due in part to a global boom in commodities prices.
- Arguably the most important manufacturing country in the world, the Chinese economy has recorded exceptional growth with real GDP growth averaging over 10% p.a. over the last 5 years.
- The US is the largest economy in the world. Its nominal GDP was estimated to be nearly $14.7 trillion in 2010,approximately a quarter of nominal global GDP. The U.S. economy also maintains a very high level of output per capita. In 2010, it was estimated to have a per capita GDP (PPP) of $47,284, the 7th highest in the world. The U.S is the largest trading nation in the world.

How this product works:

This investment product is linked to the performance of three major stock market indices, the MSCi Brazil Index, the Hang Seng China Enterprises Index, and the S&P 500 Index. At the start of the product, on the trade date, the Investor purchases Denominations of the Note. On Strike date, the closing levels of each Index are recorded and these levels are taken as the Strike Levels. On each Early Observation Date, the closing levels of each Index are observed, and if all 3 indices close above 100% of their Strike Levels, the product is Autocalled, and the Investor receives 100% of their investment returned plus a coupon of 19% multiplied by the number of the Observation Date, (i.e. – 1,...,5) and the product terminates. Example:

- If on the 3th Observation date, this is the first Observation Date that the closing levels of all 3 Indices are all above 100% of their Strikes, then the Note Autocalls and the Investor will receive all their investment amount back plus their investment amount multiplied by 19% Coupon multiplied by 3 (the number of the Observation Date) and the product terminates.
- If the Investment does not Autocall before the final Observation Date and if all 3 Indices are not above their Strike Levels at that time, provided that all 3 Indices are above 50% of their Strike Levels, the Investor will receive all their Investment amount returned, with no Coupon payment. In the event that any one of those is below 50% of its Strike, the amount invested by the Investor will receive back will be reduced.
- If on the Final Observation date, the index with the worst performance index closes at 45% of its Strike Level, then the Investor will receive 45% of their initial investment amount returned.

Underlyings:

Ishares Brazil: It is an exchange-traded fund in the USA. The Fund's objective is to provide investment results that correspond to the performance of publicly traded securities in the Brazilian market, as measured by the MSCI Brazil (Free) Index. The Fund invests in a representative sample of index stocks using a 'portfolio sampling' technique.

HSCEI Index: The Hang Seng China Enterprises Index is a freefloat capitalisation-weighted index comprised of H-Shares listed on the Hong Kong Stock Exchange and included in the Hang Seng Mainland Composite Index. (Source: Bloomberg).

S&P Index: Standard and Poor's 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Indicative terms and conditions		
Issuer:	Commerzbank AG	
Ratings:	A2 (Moody's) / A (S&P)	
Lead manager:	Commerzbank AG	
Type of security:	Note issued under the Notes programme of the issuer	
Underlyings:	Underlying	Ticker (Bloomberg)
	1 **Ishares Brazil**	**EWZ US Equity**
	2 **Hang Seng China Enterprises**	**HSCEI Index**
	3 **S&P 500**	**SPX Index**
Trade Date:	03-11-2011	
Strike Date:	13-12-2011	
Payment Date:	20-12-2011	
Early observation Dates:	Annually after Trade Date	
Early Redemption Dates:	Two Business Days after respective Early Observation Date	
Final Valuation Date:	16-12-2016	
Final Redemption Dates:	20-12-2016	
Issue Price:	100	
Currency:	USD	
Minimum Investment:	USD 1,000	
Denomination:	USD 1,000	
Strike Level:	Determined on 13-12-2011	
European Barrier:	50%	
Coupon:	19%	
Autocall Trigger:	If, on an Early Observation Date, all 3 Underlyings close above 100% of their Strike Levels, the product is Autocalled and subject to Early Redemption.	
Early Redemption:	If on any Early Observation Dates n (n=1,2...5) the Autocall is Triggered, Note holders will receive an amount per Denomination in accordance with the following formula on the immediately following Early Redemption Date: **Denomination + (Denomination * (n * Coupon))**	
Redemption at Maturity	Unless Early Redeemed, on the Final Valuation Date, If all 3 Underlyings close above 100% of their respective strike values, the Noteholder will receive: Denomination + (Denomination * (5 * Coupon)) Else, if one or more of the underlyings close below 100% but all Underlyings close above the Barrier, noteholder will receive per Denomination x 100% Else, if the Worst performing Underlying closes below 50% of its respective strike level, the Noteholder receives an amount per Denomination in accordance with the following formula: Denomination* $\left(\frac{Worst_{Final}}{Worst_{Initial}}\right)$ Where:	
	$Worst_{final}$	Equals the Official Closing Level of the Worst Performing Underlying
	$Worst_{initial}$	Equals the Strike Price of the Worst Performing Underlying
	Worst Performing	With respect to the relevant observation date, the Underlying whose price has fallen the most among all Underlyings.

LEGAL DISCLAIMER:

The requirements for a public offer in a Member State of the European Economic Area are not fulfilled. Consequently, the securities may not be offered to the public in any of the Member states of the European Economic Area. Please note that the final terms and conditions may differ from this fact sheet. It is therefore important that you read the final terms when they become available on or around the Payment Date of this product on http://pbterms.commerzbank.com. The password will be sent to you on or shortly following the trade date. This fact sheet has been prepared by Commerzbank Corporates & Markets, which is the trading and investment banking division of Commerzbank Aktiengesellschaft ("Commerzbank"). This fact sheet is for discussion purposes only, and all matters arising from it will be governed by English law unless expressly agreed otherwise. It should not be construed as a solicitation, offer or commitment by Commerzbank or any of its affiliates to enter into a transaction, nor does it attempt to describe all the relevant terms of the transaction referred to in it. Instead, it is intended to outline certain basic points of business understanding around which a transaction could be structured. Since any terms quoted are indicative they are subject to change at any time without notice. Numerous assumptions have been made in the preparation of this fact sheet and no assurance can be given as to its accuracy and/or completeness. Any subsequent offer by Commerzbank or any of its affiliates to enter into a transaction will be made on the terms, and will be subject to the conditions, specified by it. If a transaction is entered into, its terms will be found entirely in the final documentation; this fact sheet may not be used to construe such terms and will be superseded in its entirety by the final documentation to the exclusion of all prior written and oral communications. This fact sheet should not, therefore, be regarded as containing any representations concerning the content of such terms or any other matter. Accordingly neither Commerzbank nor any of its affiliates assumes any responsibility for the contents of this fact sheet, or for any written or oral communications in connection with it (or any prospective transaction), regardless of any negligence on their part. This does not, however, exclude any liability that may arise under the Financial Services and Markets Act 2000. Recipients of this fact sheet should undertake an independent review of the legal, tax, regulatory and accounting implications of the transaction referred to in it in order to determine the suitability of the transaction described in this fact sheet in the light of their particular objectives. Commerzbank may have arranged to pay an introducing fee or other remuneration to a third party in relation to this transaction or service provided to you. Details of third party and amount paid will be made available on request by Professional clients of Commerzbank (Mifid classification). Commerzbank (or any affiliate which offers to enter to a transaction) is solely an arm's length contractual counterparty. It is not acting as an adviser or fiduciary, and neither this fact sheet nor any communications from it should be treated as constituting financial, investment or other advice of any kind, or as a recommendation to enter into any transaction. No employee or agent of Commerzbank or any of its affiliates has authority to give any advice or (except as expressly set out in the final documentation for any transaction) make any representations on its behalf in connection with this fact sheet or any prospective transaction. Commerzbank and its affiliates may have material interests that conflict with the interests of the recipient of this fact sheet. For example, they may be dealing as a principal in any investments which are the subject of the transaction referred to in it and may have a long or short position in connection with such dealing. They may also be providing services to other persons in connection with these investments, may be acting as an underwriter in respect of them and/or may be acting as financial adviser or lending banker to the issuer of them. In connection with these activities, they may hold material information but will be under no obligation to take it into account or make it available to any person.This document is not for distribution to private customers and has been issued or approved for issue in the United Kingdom by Commerzbank AG, London Branch, which is authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and subject to limited regulation by the Financial Services Authority. Details on the extent of our regulation by the Financial Services Authority are available from us on request. Before investing in this product, clients should carefully consider the following additional risks: the credit risk of the issuer, various market factors that may affect the value of the investment or the underlying assets, including but not limited to the impact of exchange rate volatility, the risk that the investment redeems prior to maturity at a time when reinvestment opportunities are not as favourable for the investor, the risk that the investor may receive substantially less than 100% of the Principal Amount if they wish to liquidate the investment prior to maturity or, unless the product is capital guaranteed, at maturity. Commerzbank aims to provide a secondary market for all of its products.