This document constitutes a base prospectus (the **"Base Prospectus"**) in respect of non-equity securities within the meaning of Article 22 No. 6(4) of the Commission Regulation (EC) No. 809/2004 of April 29, 2004 (the **"Prospectus Regulation"**).

Base Prospectus
May 10, 2010

COMMERZBANK AKTIENGESELLSCHAFT
Frankfurt am Main, Federal Republic of Germany

Scandinavian Notes/Certificates Programme

This Base Prospectus containing the Commerzbank Aktiengesellschaft Scandinavian Notes/Certificates Programme (the "**Programme**") was prepared in accordance with § 6 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*), such Act implementing Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003. The specific issue of notes (the "**Notes**") and certificates (the "**Certificates**") (both also the "**Securities**") issued on the basis of the Base Prospectus can be defined only in connection with the final terms of this Base Prospectus (the "**Final Terms**"). For each issue of Securities on the basis of the Base Prospectus, the Final Terms will be published in a separate document. The complete information on a specific issue will always result from the Base Prospectus (including any supplements thereto) in combination with the relevant Final Terms.

COMMERZBANK

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SUMMARY

This summary provides an overview of what are, in the opinion of the Issuer, the main characteristics and risks associated with the Issuer and the Notes and Certificates (together the "**Securities**") that can be issued under the Base Prospectus. It is, however, not exhaustive. The summary should be read as an introduction to the Base Prospectus. Any decision to invest in the Securities should be based on consideration of the Base Prospectus as a whole (including any supplements thereto) and the relevant Final Terms by the investor.

Commerzbank Aktiengesellschaft (the "**Issuer**", the "**Bank**" or "**Commerzbank**", together with its consolidated subsidiaries "**Commerzbank Group**" or the "**Group**") may have civil liability in respect of this summary including any translation thereof only if it is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus and the relevant Final Terms.

Where a claim relating to information contained in the Base Prospectus and the relevant Final Terms is brought before a court in a member state of the European Economic Area, the plaintiff investor may, under the national legislation of such state where the claim is brought, be required to bear the costs of translating the Base Prospectus (including any supplements thereto) and the relevant Final Terms before the legal proceedings are initiated.

SUMMARY OF RISK FACTORS

The purchase of Securities issued under the Programme is associated with certain risks. In respect of Securities which require in view of their specific structure a special description of risk factors, risk factors in addition to those set forth below will be described in the Final Terms relating to such Securities.

No person should purchase the Securities unless that person understands the mechanics of the Securities and the extent of that person's exposure to potential loss. Each prospective purchaser of Securities should consider carefully whether the Securities are suitable for it in the light of such purchaser's circumstances and financial position. In this context, investors should take into consideration the risks of an investment in the Securities (risks relating to the Issuer as well as risks relating to the type of the Securities and/or the underlying(s), if any) as well as the other information contained in this Base Prospectus, any supplements and in the relevant Final Terms.

The occurrence of one or more of the risks disclosed in the Base Prospectus, any supplement and/or the relevant Final Terms or any additional risks may lead to a material and sustained loss and, depending on the structure of the Security, even result in the **total loss** of the capital invested by the investor.

These risk warnings do not substitute advice by the investor's bank or by the investor's legal, business or tax advisers, which should in any event be obtained by the investor in order to be able to assess the consequences of an investment in the Securities. Investment decisions should not be made solely on the basis of the risk warnings set out in this Base Prospectus, any supplement or the relevant Final Terms since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of the investor concerned.

Risk Factors relating to the Securities

The Securities can be volatile instruments and involve the **risk of a complete or partial loss of the invested capital (including any incidental costs**). The Securities may not be a suitable investment for all investors. Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all the information contained in the relevant Final Terms;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities;

(d) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant underlying and the financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the value of its investment and be able to bear the associated risks.

General Risks

The issue price of the Securities is based on internal pricing models of the Issuer and may be higher than their market value due to commissions and/or other fees relating to the issue and sale of the Securities (including a margin paid to distributors or third parties or retained by the Issuer) as well as amounts relating to the hedging of the Issuer's obligations under such Securities, and the price, if any, at which a person is willing to purchase such Securities in secondary market transactions may be lower than the issue price of such Securities. In addition, pricing models of relevant market participants may differ or produce a different result.

Where the Issuer or an subsidiary or affiliate of the Issuer acts as index sponsor or as Calculation Agent, potential conflicts of interest may exist between the Calculation Agent and Securityholders or the index sponsor and the Securityholders. In addition, business transactions entered into by the Issuer or any of its subsidiaries and affiliates may lead to conflicts of interest which may affect the value of the Securities.

Hedging activities or other operations entered into by the Issuer or any of its subsidiaries and affiliates may have a materially adverse effect on the value of the Securities.

Investors may not be able to enter into transactions which exclude or limit their risks under the Securities.

The market for the Securities is influenced by the economic and market conditions, interest rates, exchange rates and inflation rates in Europe and other industrialised countries and there can be no assurance that events in Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the value of the Securities or that economic and market conditions will not have any other adverse effect on the value of the Securities.

The price of the Securities as quoted by a market maker, if any, is not determined by the principle of supply and demand and does not necessarily correspond to the theoretical value of the Securities.

There can be no assurance that a market making for the Securities will exist. Even if a market maker regularly quoted buying and selling prices for the Securities of any issue, the Issuer assumes no legal obligation regarding the level or quotation of such prices. Accordingly, investors should not rely on being able sell the Securities during their term at a certain point in time or price.

The offer volume specified in the relevant Final Terms is no indication of which volume of Securities will be actually issued and investors should not draw any conclusions as to the liquidity of the Securities in the secondary market from the offer volume.

If the purchase of Securities is financed through loans and there is a failure in payments of the Issuer regarding the Securities or the price decreases considerably, the investor does not only have to accept the loss incurred but also has to pay interest on and redeem the loan. Investors should never assume that they will be able to repay the loan including interest out of the payments on the Securities or – in case of a sale of the Securities before maturity – out of the proceeds from such sale.

The obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

In case of insolvency of Commerzbank as the Issuer, the holders of Securities may lose part or all of their invested capital. The Securities are neither secured by the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbandes deutscher Banken e.V.*) nor by the German Deposit Guarantee and Investor Compensation Act (*Einlagensicherungsfonds- und Anlegerentschädigungsgesetz*).

A downgrading of the Issuer's credit rating may reduce the value of the Securities.

After an early redemption of the Securities the investor may only be able to reinvest the redemption proceeds at significant adverse conditions.

The investment activities of certain investors are subject to legal investment laws and regulation, or review or regulation by certain authorities.

If provided for in the applicable Final Terms all taxes or other duties payable at the level of the Issuer or the holders of the Securities on payments made in relation to the Securities are to be borne by the holders of the Securities. The Issuer will not pay any additional amounts to the holders of the Securities on account of any such taxes or duties.

Risks relating to special types of Securities

The factors which are material for the purpose of assessing the risks associated with an investment in Securities issued under this Base Prospectus will vary depending on the type of Securities issued, e.g. whether it is a Note or a Certificate and what kind of Note or Certificate it is.

A key difference between Floating Rate Notes and Interest Structured Notes on one hand and Fixed Rate Notes on the other is that interest income on Floating Rate Notes and Interest Structured Notes cannot be anticipated. Due to varying income, investors are not able to determine a definite yield of Floating Rate Notes and Interest Structured Notes at the time of purchase, so that their return on investment cannot be compared with that of investments having fixed interest rates.

Unlike the price of ordinary Floating Rate Notes, the price of Reverse Floating Rate Notes is highly dependent on the yield of Fixed Rate Notes having the same maturity. Price fluctuations of Reverse Floating Rate Notes are parallel to but substantially stronger than those of Fixed Rate Notes having a similar maturity.

The yield of Securities with a capped variable rate may be considerably lower than that of similar Securities without a cap.

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par and these Notes do not pay any periodic interest during their term. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

The market values of Securities issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing Securities.

According to the terms and conditions of the Securities as set forth in the Final Terms the Issuer may be entitled to make adjustments to the terms and conditions of the Securities or to early terminate the Securities if certain circumstances occur. Any such adjustment may have a negative effect on the value of the Securities and the redemption amount. The amount at which the Securities are redeemed in the event of an early termination may be lower than the amount the holders of the Securities would have received without such early termination. The redemption amount paid in the case of an early termination may include a deduction in respect of early redemption unwind costs.

The potential early redemption of Securities may lead to negative deviations from the expected yield and the redemption amount may be lower than the purchase price paid by the holder of such Security or zero and thus the invested capital may be partially or completely lost.

The Issuer may have the right to determine market disruptions or other events which may lead to a postponement of a calculation and/or of any payments or deliveries and which may affect the value of the Securities.

If Certificates do not have a determined maturity but are open-ended, their term depends on an optional redemption elected by the holder of Securities or the Issuer, as the case may be, if provided for.

A holder of Securities denominated or with an underlying denominated in a foreign currency or where the pay-out occurs in a foreign currency and a holder of Dual Currency Notes is exposed to the risk of changes in currency exchange rates which may adversely affect the yield of such Securities.

Where the amount of interest payable and/or amounts payable and/or assets deliverable on redemption of Securities may be determined by reference to a participation rate or leverage factor, prospective investors should note that the effect of changes in the price or level of the underlying(s) payable will be magnified.

An investment in Structured Notes or in Certificates entails significant additional risks that are not associated with similar investments in a conventional fixed or floating rate debt security.

If the Final Terms for a particular issue of Structured Notes or Certificates provide that payments and/or deliveries depend on an underlying, the relevant underlying and thus the payment and/or delivery obligations of the Issuer under the Securities may be subject to significant changes, whether due to fluctuations in value of underlying or, in the event of a basket or index, the composition of the index or basket.

If the Final Terms for a particular issue of Notes provide that the interest rate or other periodical payments are linked to one or more underlying(s) it may result in an interest rate that is less than that payable on a conventional fixed rate debt security issued at the same time, including the possibility that no interest will be paid and if the principal amount is linked to such underlying(s), the principal amount payable may be less than the original purchase price of such Note including the possibility of no repayment at all.

The holder of a Structured Note or of a Certificate can lose all or a substantial portion of the principal amount of such Note/Certificate (whether payable at maturity or upon early redemption), and, if the principal amount is lost, interest may cease to be payable on the Structured Note/Certificate.

The risks of investing in Structured Notes and Certificates encompass both risks relating to the underlying(s) and risks that are unique to the Notes/Certificates as such.

The underlying to which the Structured Notes/Certificates are linked may cease to exist or may be substituted by another underlying.

Furthermore, the value of Structured Notes or Certificates on the secondary market is subject to greater fluctuations and thus greater levels of risk than is the value of other securities as it is dependent on one or several underlyings. The performance of any underlying is subject to a series of factors, including economic, financial and political events beyond the control of the Issuer. The secondary market, if any, for Structured Notes or Certificates will be affected by a number of factors, irrespective of the creditworthiness of the Issuer and the value of the respective underlying(s), including, without limitation, the volatility of the respective underlying(s), the time remaining to the maturity of such Notes/Certificates, the amount outstanding of such Notes/Certificates and market interest rates.

The Final Terms may provide that, depending on the performance of the underlying(s) or another condition, the Securities may be redeemed, in lieu of a cash payment, by the delivery of the underlying, any of the underlyings or other securities (the "**Object of Physical Settlement**"). **Accordingly, the investor will upon redemption of the Securities by physical settlement receive no amount of money (or cash settlement only in part)** but the Object of Physical Settlement.

The value of the Object of Physical Settlement may be substantially lower at the time of delivery of the Object of Physical Settlement than at the time of purchase of the Securities (or the amount paid for the purchase of the Securities), or than at the time at which it is decided whether physical or cash settlement shall occur, or than at the valuation date, if any.

Investors have no claim against the issuer of an underlying in respect of obligations of the Issuer under the Securities.

The value of the respective underlying(s) depends on a number of interrelated factors, including economic, financial and political events beyond the Issuer's control. Additionally, if the formula(e) used to determine the amount of principal, premium and/or interest payable or the delivery obligations with respect to Structured Notes or Certificates, as the case may be, contains a participation rate or leverage factor, the effect of any change in the respective underlying(s) will be increased. The historical experience of the respective underlying(s) should not be taken as an indication of future performance of such underlying(s) during the term of any Structured Note or Certificate. Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Structured Notes or Certificates.

Securities linked to an index or a basket of indices

Securities linked to an index or a basket of indices may involve one or more of the following index specific risks:

- the value of an index is calculated on the basis of the value of its components. Changes in the composition of an index may therefore adversely affect the value of the Securities and the amounts payable under the Securities;

- if the components of an index reflect the performance of assets of some countries or some industries only, investors are exposed to a concentration risk. In case of an unfavourable development in the relevant country or industry, the index may be affected disproportionately by this adverse development;

- investors should note that the selection of an index is not based on the expectations or estimates of the Issuer or the Calculation Agent in respect of the future performance of the selected index. Investors should thus make their own estimates in respect of the future performance of the components of an index and the index itself on the basis of their own knowledge and sources of information;

- if the Securities are linked to a price index, dividends paid out do (contrary to performance indices) not cause an increase in the level of a price index. Investors do thus not participate in any dividends or other distributions on the shares contained in the price index;

- the Issuer may not have any influence over the composition of the index by the index sponsor;

- the index sponsor assumes no liability vis-à-vis the holders of the Securities;

- the underlying index may not be a recognised financial index, but an index created for the issue of the relevant Security. The index sponsor of such indices might not be independent from the Issuer and may thus favour the interests of the Issuer over the interests of the holder of the Securities;

- the index may have an exposure to one or more currencies different from the currency in which the Securities are denominated;

- fees may be included in the calculation of the index level which may reduce the index level to the detriment of the investors; and

- the index level may not be updated continuously.

Securities linked to shares or a basket of shares

Securities linked to shares or a basket of shares are associated with particular risks, such as the risk that the respective company will be rendered insolvent, the risk that the share price will fluctuate or risks relating to dividends, over which the Issuer has no control. The performance of the shares depends to a very significant extent on developments on the capital markets, which in turn depend on the general global economic situation and more specific economic and political conditions. Shares in companies with low to medium market capitalisation may be subject to even higher risks (e.g. relating to their volatility or insolvency) than is the case for shares in larger companies. Moreover, shares in companies with low capitalisation may be extremely illiquid as a result of low trading volumes.

Shares of companies with its statutory seat or with significant business operations in countries with limited certainty of law are subject to additional risks such as, for instance, government interventions or nationalisation which may lead to a total or partial loss of the invested capital or of access to the capital invested in such country. The realisation of such risks may also lead to a total or partial loss of the invested capital for holders of Securities linked to such shares.

Holders of Securities that are linked to share prices do, contrary to investors which directly invest in the shares, not receive dividends or other distributions payable to the holders of the underlying shares.

Securities linked to a bond or bonds

Investors in Securities linked to a bond or to various bonds are, in addition to the credit risk of Commerzbank AG as Issuer of the Securities, exposed to the credit risk of the issuers of such underlying bond(s). In the event that an issuer of an underlying bond does not punctually perform its obligations under the bonds or if such an issuer becomes insolvent this may lead to a total loss of the invested capital in the Securities linked to such bond. In addition, investors should be aware that a deterioration in the creditworthiness of the issuer of an underlying bond during the term of the Securities may lead to significant price losses in the secondary market for the Securities.

Securities linked to commodities

Investors in Securities linked to commodities are exposed to significant price risks as prices of commodities are subject to great fluctuations. The prices of commodities are influences by a number of factors, including, inter alia, the following factors:

- A number of producers or producing countries of commodities have formed organizations or cartels to regulate supply and therefore influence prices. Trading in commodities is subject to regulations imposed by supervisory authorities or markets which may also the price development;

- The cyclical supply and demand patterns of commodities may lead to strong price fluctuations.

- Direct investments in commodities are associated with costs for storage, insurance and taxes. In addition, no interest or dividends are paid on commodities;

- An inflationary or deflationary development of prices may have a strong effect on the price development of commodities;

- Commodities markets may be very illiquid and may therefore not be able to react rapidly and sufficiently to changes in supply and demand. In case of low liquidity, speculative investments by individual market participants may lead to price distortions;

- Commodities are frequently produced in emerging markets and subject to demand from industrialized nations. This supply demand pattern holds political risks which may have a significant impact on prices of commodities; and

- Unfavorable weather conditions and natural disasters may have a negative effect on the supply of specific commodities for an entire year. A crisis of supply of this sort may lead to strong and incalculable price fluctuations.

Securities linked to a fund or a basket of funds

Particular risks of Securities that relate to one or several funds or a basket of funds as underlying(s) involve the risks that:

- the performance of a fund is generally reduced by fees at the level of the fund(s) as well as at the level of the investments made by the fund(s). Such fees may adversely affect the value of the Securities as well as the amounts payable under the Securities;

- underlyings of Securities may also be funds investing to a significant extent in illiquid assets. This can lead to difficulties in calculating the net asset value and to a substantial delay in the repayment of the Securities, as well as to a reduction in the value of the investment and even to a sale thereof;

- an underlying fund may publish the net asset value with a delay. This may result in a postponement of the payouts under the Securities and may have adverse effects on the value of the Securities;

- an underlying fund may redeem no or only a limited quantity of units on the scheduled times that are relevant for the calculation of the payouts under the Securities. This can result in a postponement of the payouts under the Securities and may negatively affect the value of the Securities;

- the Securities may relate to funds which invest only or mainly in a certain country, a certain industry or a certain asset class. In case of an unfavourable development of the relevant asset type or in the relevant country or industry, the value of the fund may be affected disproportionately by this adverse development;

- the Securities may be linked to funds which are denominated in another currency than the currency in which the Securities are denominated or to funds which invest in assets that are denominated in another currency. Investors may therefore be subject to significant currency risks;

- funds that invest in markets with limited certainty of law are subject to certain risks such as, for instance, government interventions which lead to a total or partial loss of the invested capital or of access to the capital invested there. These markets may not be regulated as reliably as others.

Securities linked to a hedge fund

Securities which are linked to units in funds that apply alternative investment strategies with special risks (hedge funds) (or, likewise, an index which represents a hedge fund) are exposed to high risks. Such risks depend on the strategy and underlying investments of the relevant hedge fund and include, *inter alia*, insufficient transparency, lack of investment restrictions, concentration of risks, leverage, use of derivatives, short selling and trading with illiquid instruments.

Further risks relating to the underlying and/or the type of the Securities may be described in the relevant Final Terms.

Summary of Risk Factors relating to Commerzbank Aktiengesellschaft

The Issuer is subject to various market- and sector-specific as well as company-specific risks, which – if they materialised – could have a considerable impact on the Issuer's net assets, financial position and earnings performance, and consequently on the Issuer's ability to meet its commitments arising from the Securities. Such risks include:

– Strategic Risks
– Risks arising from the Integration of the Former Dresdner Bank
– Credit Risks
– Risks arising from Structured Credit Products
– Market Risks
– Risks from Equity Investment Stakes
– Risks arising from Pension Obligations
– Operational Risks
– IT Risks
– Personnel Risks
– Regulatory, Legal and Reputational Risks

For more information on each of these risks see "Risk Factors relating to Commerzbank Aktiengesellschaft" on page 30 et seq.

SUMMARY REGARDING THE SECURITIES

The possible types of Securities which may be issued under the Base Prospectus (and as specified in the relevant Final Terms) are:

1. Notes with a principal amount

    (a) which bear:

        (i) interest at a fixed rate for one or several interest periods or for the entire term of the Notes ("**Fixed Rate Notes**"), or

        (ii) interest that is increased ("**Step-Up Notes**") or decreased ("**Step-Down Notes**") from one interest period to another, or

        (iii) interest at a floating rate ("**Floating Rate Notes**"), or

        (iv) interest whereby the interest rate or interest amount is to be determined by reference to an exchange rate, an index, a bond, a share, any other security, a future, a fund, a straddle, a commodity, swap rate(s), interest rate(s), any other underlying, a basket or index consisting of any of the before-mentioned and/or formula(e) for some or all interest periods, provided that interest periods for which the interest rate or interest amount is not determined in such a way may be or may have a floating or fixed rate ("**Interest Structured Notes**"), or

        (v) no interest ("**Zero Coupon Notes**" or other Notes not bearing interest), and

    (b) where the redemption amount may either:

        (i) be at par, or

        (ii) be at a specified rate above or below par, or

        (iii) be determined by reference to an exchange rate, an index, a bond, a share, any other security, a future, a fund, a straddle, a commodity, swap rate(s), interest rate(s), any other underlying, a basket or index consisting of any of the beforementioned and/or formula(e) ("**Redemption Structured Notes**"), or

        (iv) consist partially or in whole of securities (including, without limitation, of a company other than the Issuer) instead of a cash payment ("**Reverse Convertible Notes**" or other Notes with delivery obligations),

2. Certificates with fixed redemption date or unlimited certificates without fixed redemption date ("**Unlimited Certificates**") where the redemption amount or additional payments or deliveries are to be determined by reference to an exchange rate, an index, a bond, a share, any other security, a future, a fund, a straddle, a commodity, swap rate(s), interest rate(s), any other underlying, a basket or index consisting of any of the before-mentioned and/or formula(e).

The relevant Final Terms will indicate either that the Securities cannot be redeemed prior to their stated maturity (except for events specified in the Terms and Conditions) or that the Securities will be redeemable at the option of the Issuer and/or the holders of the Securities upon giving notice within the notice period (if any), as the case may be, or that the Securities will be redeemed by way of automatic early redemption (dependent on the occurrence of a specified event). Unlimited Certificates do not have a fixed redemption date and will be redeemable at the option of the Issuer and the Certificateholders upon giving notice within the notice period (if any).

All relevant information relating to a particular issue of Securities such as type and conditions of the Security, issue price, issue date, redemption or interest or other payment calculations or specifications, underlying(s) (if any), market disruption, settlement disruption, adjustments, agents, taxation, specific risk factors, offering, clearing system, ISIN or other national security code(s), listing, form of securities and any further information are set forth in the relevant Final Terms.

SUMMARY REGARDING COMMERZBANK AKTIENGESELLSCHAFT

Commerzbank Aktiengesellschaft is a stock corporation under German law. The Bank’s registered office is located in Frankfurt am Main and its head office is at Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0)69 136-20). The Bank is registered in the commercial register of the lower regional court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000.

Commerzbank is a major universal bank. Its products and services for retail and corporate customers extend to all aspects of banking. The Bank is also active in specialised fields − partly covered by its subsidiaries − such as mortgage banking and real-estate business, leasing and asset management. Its services are concentrated on managing customers’ accounts and handling payments transactions, loan, savings and investments plans, and also on securities transactions. Additional financial services are offered within the framework of the Bank’s bancassurance strategy of cooperating with leading companies in finance-related sectors, including home loan savings schemes and insurance products.

The Commerzbank Group is divided into three areas: customer bank, asset based finance and the run-off portfolio (Portfolio Restructuring Unit (PRU)). The customer bank comprises the customer-oriented core business activities of Commerzbank. Specifically, this includes the four segments Private Customers, *Mittelstandsbank*, Corporates & Markets as well as Central & Eastern Europe. The asset based finance area essentially includes Commercial Real Estate, Public Finance and ship financing. The run-off contains all the portfolios that the Bank no longer wants and has transferred to a single separate unit.

Commerzbank's business activities are mainly concentrated on the German market. In Wealth Management, considered core markets are furthermore Austria, Luxembourg, Singapore and Switzerland and in corporate business, Europe, USA and Asia.

Additional detailed information regarding the Issuer is available in the section "Description of the Issuer" on page 161 et seq.

RISK FACTORS

The purchase of Notes and Certificates (together the "**Securities**") issued under the Programme is associated with certain risks. In respect of Securities which require in view of their specific structure a special description of risk factors, risk factors in addition to those set forth below will be described in the Final Terms relating to such Securities. The information set forth hereinafter and in the Final Terms merely contains the major risks connected with an investment in the Securities.

No person should purchase the Securities unless that person understands the mechanics of the Securities and the extent of that person's exposure to potential loss. Each prospective purchaser of Securities should consider carefully whether the Securities are suitable for it in the light of such purchaser's circumstances and financial position. In this context, investors should take into consideration the risks of an investment in the Securities (risks relating to the Issuer as well as risks relating to the type of the Securities and/or the underlying(s), if any) as well as the other information contained in this Base Prospectus, any supplements and in the relevant Final Terms.

The order of the risk factors described herein does not imply any statement about the likelihood of occurrence of each risk factor or the influence of such risk factor on the value of the Securities.

Moreover, additional risks that are not known at the date of preparation of the Base Prospectus and the relevant Final Terms or currently believed to be immaterial could likewise have an adverse effect on the value of the Securities.

It is possible that the performance of the Securities is affected by several risk factors at the same time, but the Issuer is unable to make any reliable prediction on such combined effects.

The occurrence of one or more of the risks disclosed in the Base Prospectus, any supplement and/or the relevant Final Terms or any additional risks may lead to a material and sustained loss and, depending on the structure of the Security, even result in the **total loss** of the capital invested by the investor.

These risk warnings do not substitute advice by the investor's bank or by the investor's legal, business or tax advisers, which should in any event be obtained by the investor in order to be able to assess the consequences of an investment in the Securities. Investment decisions should not be made solely on the basis of the risk warnings set out in this Base Prospectus, any supplement or the relevant Final Terms since such information cannot serve as a substitute for individual advice and information which is tailored to the requirements, objectives, experience, knowledge and circumstances of the investor concerned.

RISK FACTORS RELATING TO THE SECURITIES

The Securities can be volatile instruments and involve the **risk of a complete or partial loss of the invested capital (including any incidental costs)**. The Securities may not be a suitable investment for all investors. Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement and all the information contained in the relevant Final Terms;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities;

(d) understand thoroughly the terms of the Securities and be familiar with the behaviour of any relevant underlying and the financial markets; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the value of its investment and be able to bear the associated risks.

General Risks

Market value and impact of incidental costs

The issue price in respect of any Securities is based on internal pricing models of the Issuer and may be higher than the market value of such Securities, and the price, if any, at which any person is willing to purchase such Securities in secondary market transactions may be lower than the issue price in respect of such Securities. In particular, the issue price may include (irrespective of any agio which may be payable) commissions and/or other fees relating to the issue and sale of the Securities (including a margin paid to distributors or third parties or retained by the Issuer) as well as amounts relating to the hedging of the Issuer's obligations under such Securities, and secondary market prices are to some degree likely to exclude such amounts. In addition, pricing models of relevant market participants may differ or produce a different result.

Conflicts of interest

Where the Issuer or an subsidiary or affiliate of the Issuer acts as index sponsor or as Calculation Agent, potential conflicts of interest may exist between the Calculation Agent and Securityholders or the index sponsor and the Securityholders, including with respect to certain determinations and judgements that the Calculation Agent or the index sponsor, respectively, may make with respect to the Securities that may influence the amount payable or specified assets deliverable under the terms of the Securities.

The Issuer and/or any of its affiliates or subsidiaries may have existing or future business relationships with an underlying or which relate to one or several underlyings (including, but not limited to, issuing other securities linked to the relevant underlying(s), lending, depositary, risk management, advisory services and trading activities). Such business activities may be carried out as service for customers or on an own account basis. The Issuer and/or any of its affiliates or subsidiaries will pursue actions and take steps that it or they deem necessary or appropriate to protect its and/or their interests arising therefrom without regard to any negative consequences this may have for a holder of the Securities. Such actions and conflicts may include, without limitation, the exercise of voting rights, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer and any of its subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the potential adverse effect that such activities may directly or indirectly have on any Securities.

The Issuer and any of its subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the underlying(s). The Issuer and any of its subsidiaries and affiliates have no obligation to disclose such information about the underlying(s).

Hedging risks

The Issuer and any of its subsidiaries and affiliates may hedge themselves against the financial risks which are linked with the Securities by undertaking hedging activities in the relevant underlying. Such activities, especially the hedging activities relating to the Securities, may influence the market price of the underlying(s) to which the Securities relate, in particular at the time when the Securities expire. It cannot be excluded that entering into and releasing such hedging positions may have a negative influence on the value of the Securities or payments to which the holder of the Securities is entitled.

In addition, investors may not be able to enter into transactions which exclude or limit their risks under the Securities; the possibility to enter into such hedge transactions depends on market conditions and the respective underlying terms and conditions.

Interest rate, exchange rate and inflation rate risks

The market for the Securities is influenced by the economic and market conditions, interest rates, exchange rates and inflation rates in Europe and other industrialised countries and areas. There can be no assurance that events in Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the value of Securities or that economic and market conditions will not have any other adverse effect.

Determination of the Securities Price

The price of the Securities as quoted by a market maker, if any, is not determined by the principle of supply and demand and does not necessarily correspond to the theoretical value of the Securities. The level of such deviation of the buying and selling prices quoted by a market maker from the theoretical value of the Securities will fluctuate during the term of the Securities. In particular at the beginning of the term of the Securities, such deviation may result in that the Securities acquired at the issue price may, under the assumption that the usual price-influencing factors remain constant, only be resold at a significantly lower price. In addition, such deviation from the theoretical value of the Securities may result in a significant (upside or downside) deviation of the buying and selling prices, if any, quoted by other securities dealers for the Securities from the buying and selling prices quoted by the market maker.

Trading in the Securities

There can be no assurance that there will be a market on which investors can sell their Securities during the term of the Securities. If a market does develop, it may not be very liquid. Illiquidity may have a severely adverse effect on the market value of Securities. Even if there is a market maker who regularly quotes buying and selling prices for the Securities, there is no assurance that such market maker continues to quote prices, in particular in the event of highly volatile markets. There can also be no assurance that the level of the quoted prices is acceptable to investors. In particular, the Issuer assumes no legal obligation regarding the level or quotation of such prices. Accordingly, investors should not rely on being able sell the Securities during their term at a certain point in time or price.

Investors should neither rely on being able sell the Securities during their term at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Securities that are especially sensitive to interest rate, currency or stock market, commodity market or other market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Securities generally would have a more limited secondary market and more price volatility than conventional debt securities.

Offer volume

The offer volume specified in the relevant Final Terms corresponds to the maximum total amount of Securities offered but is no indication of which volume of Securities will be actually issued. The actual volume depends on the market conditions and may change during the term of the Securities. Therefore, investors should note that the specified offer volume does not allow to draw any conclusions as to the liquidity of the Securities in the secondary market.

Use of loans

If the investor finances the purchase of the Securities through a loan, he/she will be subject – in the event that he/she loses some or all of the invested capital – not only to the loss incurred but will also have to pay the interest and repay the principal on the loan. In such case the exposure to loss increases considerably. Investors should never assume that they will be able to repay the loan including interest out of the payments on the Securities or – in case of a sale of the Securities before maturity – out of the proceeds from such sale. The purchaser of Securities rather has to consider in advance on the basis of his/her financial situation whether he/she will still be able to pay the interest or repay the principal on the loan at short notice if the expected profits turn into losses.

Securities are unsecured obligations

The obligations under the Securities constitute direct, unconditional and unsecured obligations of the Issuer and rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

Issuer's solvency

The holders of the Securities assume the credit risk of Commerzbank Aktiengesellschaft as Issuer of the Securities. In case of insolvency of the Issuer, the holders of the Securities may lose part or all of their invested capital if the insolvency estate of the Issuer does not suffice to satisfy all unsecured and unsubordinated obligations of the Issuer.

The Securities are neither secured by the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands deutscher Banken e.V.*) nor by the German Deposit Guarantee and Investor Compensation Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz*).

Impact of a downgrading of the credit rating

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the Issuer's creditworthiness. Such perceptions are generally influenced by the ratings given to the Issuer's outstanding securities by standard statistical rating agencies, such as Moody's Investors Services Inc., Fitch Ratings Ltd, a subsidiary of Fimalac, S.A., and Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. Any downgrading of the Issuer's rating (if any) by even one of these rating agencies could result in a reduction in the value of the Securities.

Reinvestment risk

After an early redemption of the Securities the investor may only be able to reinvest the redemption proceeds at significant adverse conditions.

Legal investment restrictions may restrict investments by certain investors

The investment activities of certain investors are subject to legal investment laws and regulation, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) Securities are legal investments for it, (b) Securities can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Securities under any applicable risk-based capital or similar rules.

Taxes and other duties

If provided for in the applicable Final Terms all taxes or other duties payable at the level of the Issuer or the holders of the Securities on payments made in relation to the Securities are to be borne by the holders of the Securities. The Issuer will not pay any additional amounts to the holders of the Securities on account of any such taxes or duties.

Change of law

The terms and conditions of the Securities are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

Risks relating to special types of Securities

There are certain factors which are material for the purpose of assessing the risks associated with an investment in Securities issued under this Base Prospectus. Such factors will vary depending on the type of Securities issued, e.g. whether it is a Note or a Certificate, and what kind of Note or Certificate it is, e.g. a Fixed Rate Note, a Step-Up or a Step-Down Note, a Reverse Convertible Note, a Floating Rate Note, a Certificate with fixed redemption date or an Unlimited Certificate without fixed redemption date, a Security with a redemption amount at a specified rate, a Security where the interest and/or redemption amount or other payments are linked to the value of an exchange rate, an index, a bond, a share, any other security, a future, a fund, a straddle, a commodity, swap rate(s), interest rate(s), or any other underlying, a basket or an index consisting of any of the before-mentioned and/or a formula(e).

Floating Rate Notes

A key difference between Floating Rate Notes and Interest Structured Notes on one hand and Fixed Rate Notes on the other is that interest income on Floating Rate Notes and Interest Structured Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes and Interest Structured Notes at the time of purchase, so that their return on investment cannot be compared with that of investments having fixed interest rates.

Reverse Floating Rate Notes

The interest income of Reverse Floating Rate Notes is calculated in reverse proportion to the reference rate: if the reference rate increases, interest income decreases whereas it increases if the reference rate decreases.

Unlike the price of ordinary Floating Rate Notes, the price of Reverse Floating Rate Notes is highly dependent on the yield of Fixed Rate Notes having the same maturity. Price fluctuations of Reverse Floating Rate Notes are parallel to but substantially stronger than those of Fixed Rate Notes having a similar maturity.

The value of Reverse Floating Rate notes especially may decrease if short and long term market interest rates both increase. The same effect applies to a certain extent if long-term market interest ratesl increase and short-term market interest rates decrease.

Capped Floating Rate Notes

The maximum amount of interest payable in respect of Securities that bear or pay interest with a capped variable rate will equal the sum of the reference rate and any specified margin subject to a specified maximum rate. Consequently investors in these Securities will not benefit from any increase in the relevant reference rate if, when added to the specified margin, such resulting rate is equal to or greater than the maximum specified rate.

The market value of Capped Floating Rate Notes would typically decrease if market interest rates increase, especially the closer the sum of the relevant reference rate and any margin is to the maximum specified rate or if such sum exceeds the maximum specified rate. The yield of Securities with a capped variable rate may be considerably lower than a yield of similar Securities without a cap.

Zero Coupon Notes

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary Notes because the discounted issue prices are substantially below par and these Notes do not pay any periodic interest during their term. If market interest rates increase, Zero Coupon Notes can suffer higher price losses than other Notes having the same maturity and a comparable credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

Notes issued at a substantial discount or premium

The market values of Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities.

Extraordinary early termination and adjustment rights

According to the terms and conditions of the Securities as set forth in the Final Terms the Issuer may be entitled to make adjustments to the terms and conditions of the Securities or to early terminate the Securities if certain circumstances occur. Such circumstances are described in the terms and conditions and may include, without limitation, the cancellation of or changes made to an index in the case of index-linked Securities or events that have a significant impact on the underlying shares in the case of equity-linked Securities. Any adjustment of the terms and conditions may have a negative effect on the value of the Securities and the redemption amount. Also, the amount at which the Securities are redeemed in the event of an early termination may be lower than the amount the holders of the Securities would have received without such early termination. If so specified in the applicable Final Terms, the redemption amount paid in the case of an early termination will include a deduction in respect of early redemption unwind costs. Such early redemption unwind costs may comprise all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the early redemption of the Securities and the related termination, settlement or re-establishment of any hedge or related trading position. Investors bear furthermore the risk that they may invest the amounts received upon early redemption only at a rate of return which is lower than that of the Securities redeemed.

Early redemption at the option of the Issuer; Automatic early redemption

The Final Terms for a particular issue of Securities may provide for an early redemption right at the option of the Issuer or an automatic early redemption provision. Such early redemption provisions are likely to limit the market value of the Securities. During any period when the Issuer may elect to redeem Securities or when the automatic early redemption is likely to be triggered, the market value of those Securities generally will not rise substantially above the price at which they may be redeemed. This also may be true prior to any redemption period. The potential early redemption of Securities may lead to negative deviations from the expected yield and the redemption amount may be lower than the purchase price paid by the holder of such Security or zero and thus the invested capital may be partially or completely lost.

Moreover, regarding Securities with fixed interest, the risk that the Issuer will exercise its right of early redemption for the holders of Securities increases if the market interest rates decrease. As a consequence, the yields received upon redemption may be lower than expected, and the early redemption amount of the Securities may be lower than the purchase price for the Securities paid by the holders of Securities. As a consequence, part of the capital invested by the holders of Securities may be lost, so that the holders of Securities in such case would not receive the total amount of the capital invested. Furthermore, there is the possibility that holders of Securities may invest the amounts received upon early redemption only at a rate of return which is lower than that of the Securities redeemed.

Market Disruption and postponement of payments

The Issuer may be entitled to determine market disruptions or other events which may lead to a postponement of a calculation and/or of any payments or deliveries and which may affect the value of the Securities.

Unlimited Certificates

Unlimited Certificates do not have a determined maturity. Therefore, the term of the Certificates depends on an optional redemption elected by the holder of Certificates or the Issuer, as the case may be, if provided for in the applicable Final Terms. Since unlimited Certificates do not have a pre-determined redemption date the Certificateholders must actively terminate the Certificates in order to cause a redemption of the Certificates.

Foreign Currency Securities and Dual Currency Notes

A holder of Securities denominated or with an underlying denominated in a foreign currency or where the pay-out occurs in a foreign currency and a holder of Dual Currency Notes is exposed to the risk of changes in exchange rates which may affect the yield of such Securities. Changes in exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

A change in the value of any currency other than Euro against the Euro, for example, will result in a corresponding change in the Euro value of Securities denominated in a currency other than Euro and a corresponding change in the Euro value of payments made in a currency other than in Euro in accordance with the terms and conditions of such Security. If the underlying exchange rate falls and the value of the Euro correspondingly rises, the price of the Securities and the value of payments made thereunder expressed in Euro falls.

Leverage

Where the amount of interest payable and/or amounts payable and/or assets deliverable on redemption of Securities may be determined by reference to a participation rate or leverage factor, prospective investors should note that the effect of changes in the price or level of the Underlying(s) will be magnified.

Structured Notes and Certificates

Investments in Structured Notes and Certificates entail significant additional risks

An investment in Structured Notes or in Certificates entails significant additional risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include, among other things, the possibility that:

- if the Final Terms for a particular issue of Securities provide that payments and/or deliveries depend on an underlying, the relevant underlying and thus the payment and/or delivery obligations of the Issuer under the Securities may be subject to significant changes, whether due to fluctuations in value of underlying or, in the event of a basket or index, the composition of the index or basket;

- if the Final Terms for a particular issue of Notes provide that the interest rate or other periodical payments are linked to one or more underlying(s) it may result in an interest rate that is less than that payable on a conventional fixed rate debt security issued at the same time, including the possibility that no interest will be paid and if the principal amount is linked to such underlying(s), the principal amount payable may be less than the original purchase price of such Note including the possibility of no repayment at all;

- if provided in the Final Terms for a particular issue of Securities the repayment of the Security can occur at times other than that expected by the investor;

- the holder of a Structured Note or of a Certificate can lose all or a substantial portion of the principal amount of such Note/Certificate (whether payable at maturity or upon early redemption), and, if the principal amount is lost, interest may cease to be payable on the structured Note/Certificate;

- the risks of investing in Structured Notes and Certificates encompass both risks relating to the underlying(s) and risks that are unique to the Notes/Certificates as such;

- it may not be possible for investors to hedge their exposure to the various risks relating to Structured Notes or Certificates;

- the underlying to which the Structured Notes/Certificates are linked may cease to exist or may be substituted by another underlying; and

- the value of Structured Notes or Certificates on the secondary market is subject to greater fluctuations and thus greater levels of risk than is the value of other securities as it is dependent on one or several underlyings. The performance of any underlying is subject to a series of factors, including economic, financial and political events beyond the control of the Issuer. The secondary market, if any, for Structured Notes or Certificates will be affected by a number of factors, irrespective of the creditworthiness of the Issuer and the value of the respective underlying(s), including, without limitation, the volatility of the respective underlying(s), the time remaining to the maturity of such Notes/Certificates, the amount outstanding of such Notes/Certificates and market interest rates.

Risk relating to physical settlement

The Final Terms may provide that, depending on the performance of the underlying(s) or another condition, the Securities may be redeemed, in lieu of a cash payment, by the delivery of the underlying, any of the underlyings or other securities (the "**Object of Physical Settlement**"). The quantity of the units to be delivered will be determined in accordance with the terms and conditions of the Securities. **Accordingly, the investor will upon redemption of the Securities by physical settlement receive no amount of money (or cash settlement only in part)** but the Object of Physical Settlement.

Therefore, investors should inform themselves before the purchase of the Securities on the Objects of Physical Settlement, if any, and not expect to be able to sell the Objects of Physical Settlement at a certain price. The value of the Object of Physical Settlement may be substantially lower at the time of delivery of the Object of Physical Settlement than at the time of purchase of the Securities (or the amount paid for the purchase of the Securities), or than at the time at which it is decided whether physical or cash settlement shall occur, or than at the valuation date, if any. In the case of physical settlement the investor assumes the specific risks in connection with the Objects of Physical Settlement. Under certain circumstances, the delivered Objects of Physical Settlement may even be worthless. Also in the case of physical settlement, the investor is subject to the risks associated with such Object of Physical Settlement which may involve a risk of loss and the investor may therefore even suffer a total loss.

Dependence of payments on the performance of the underlying(s)

The Final Terms for a particular issue of Securities may provide that the obligations of the Issuer under the Securities and thus the value of the Securities depend on the performance of the underlying(s). As a general rule, i.e. without taking into account the specific characteristics of the Securities, the influence of foreign exchange rates, if any, or other factors which may be relevant for the formation of the price of the Securities, the Securities will decrease in value when the price of the underlying(s) moves in an adverse direction for the investor. Except in case of Securities with a reverse structure, an adverse performance of one or more underlying(s) may cause an investor which has purchased a Security at the initial sales price and holds such Security continuously until redemption by the Issuer, to be in the same economic position (disregarding the agio, if any, and any transaction expenses) as if he/she had made a direct investment in the relevant underlying(s) (without taking into account dividend payments or other benefits arising from the holding of the relevant underlying(s), if any). Conversely, in case of Securities with a reverse structure, an increase in the price of one or more underlying(s) may result in a decrease in value of the Securities. This may result in losses, including a total loss of the invested capital (including any transaction expenses).

No claim against the issuer of an underlying

A Security will not represent a claim against the issuer of any underlying on which the redemption amount and/or interest payable or amount of assets deliverable in respect of the Securities is dependent. In the event that the payments and/or deliveries upon redemption of the Securities by the Issuer are less than the issue price of the Securities, a holder of the Securities will not have recourse to the issuer of the underlying.

No interest payments or other distributions

A particular issue of Securities may not provide for periodic interest payments or other distributions during the term of the Securities. Potential investors should be aware that these Securities will not generate a current income. Possible losses in the value of the Securities can therefore not be compensated by any other income from the Securities.

Additional risks concerning the type of the Securities may be set forth in the relevant Final Terms, if appropriate.

Risk Factors relating to the underlying(s)

The value of the respective underlying(s) depends on a number of interrelated factors, including economic, financial and political events beyond the Issuer's control. Additionally, if the formula(e) used to determine the amount of principal, premium and/or interest payable or the delivery obligations with respect to Structured Notes or Certificates, as the case may be, contains a participation rate or leverage factor, the effect of any change in the respective underlying(s) will be increased. The historical experience of the respective underlying(s) should not be taken as an indication of future performance of such underlying(s) during the term of any Structured Note or Certificate. Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Structured Notes or Certificates.

Particular risks of Securities with indices or baskets of indices as underlying

Securities that are linked to one or several indices or a basket of indices involve, in particular, the following risks:

Dependency on the value of the index components

The respective value of an index is calculated on the basis of the value of its components. Changes in the composition of an index as well as factors that (may) influence the value of the components also influence the value of the relevant index and can thus influence the yield from an investment in the Securities. Fluctuations in the value of one component of an index may be compensated or aggravated by fluctuations in the value of another component. Historical performance of the components does not represent any guarantee of future performance. An index used as an underlying may not, in certain circumstances, be maintained for the entire term of the Securities.

An index may reflect the performance of assets of some countries or some industries only. Therefore, the value of the relevant index depends on the development of the index components of individual countries or industries. Even if more than just a few countries or industries are represented, it is still possible that the industries contained in the relevant index are weighted unevenly. This means that in case of an unfavourable development in one industry contained in the relevant index, the index may be affected disproportionately by this adverse development.

Investors should note that the selection of an index is not based on the expectations or estimates of the Issuer or the Calculation Agent in respect of the future performance of the selected index. Investors should thus make their own estimates in respect of the future performance of the components of an index and the index itself on the basis of their own knowledge and sources of information.

Price index – dividends are not taken into account

The Final Terms may provide that payments under the Securities are dependent on the performance of an index which is a price index. Contrary to performance indices - dividends paid out do not cause an increase in the level of a price index. Investors thus do not participate in any dividends or other distributions on the shares contained in the price index.

No influence of the Issuer

As a general rule, the Issuer has no influence on the composition and performance of an underlying index or the performance of its components. A change in composition may have an adverse effect on the value of the Securities.

No liability of the index sponsor

Where the Issuer is not the index sponsor of the relevant index, Securities based on an index as underlying are generally not sponsored or otherwise supported by any index sponsor, and the relevant index is composed and calculated by the respective index sponsor without any account being taken of the Issuer's or the interests of the holder's of the Securities. In such case, the index sponsors does not assume any obligation or liability in respect of the issue, sale or trading of the Securities.

No recognised financial indices, no independent third party

The Securities may be linked to one or more indices which are not recognised financial indexes but indices that have been created for the issuance of the relevant Security. The index sponsor of such indices might not be independent from the Issuer and may thus favour the interests of the Issuer over the interests of the holder of the Securities.

Currency risks

The index components may be denominated or listed in a different currency or be exposed to significant influences from another currency than the currency in which the Securities are denominated. The redemption amount and the value of the Securities during their term may therefore depend on one or more other currencies.

Composition fees

Certain fees, costs, commissions or other charges for composition and calculation may be deducted when calculating the value of an index on the basis of the value of its individual components. As a result, the performance of the individual index components is not acknowledged in full when calculating the performance of the respective index, but is reduced by the amount of such fees, costs, commissions and other charges, and these may to some extent erode any positive performance displayed by the individual components. It should also be noted that such costs may well also be incurred if the index returns negative performance.

Publication of the index composition

Even if the composition of the relevant indices is to be published on a website or in other media specified in the Final Terms, the composition shown might not always be the current composition of the respective relevant index because the posting of the updated composition of the respective index on the website might be delayed considerably, sometimes even by several months.

Particular risks of Securities with shares or baskets of shares as underlying

Shares are associated with particular risks, such as the risk that the respective company will be rendered insolvent, the risk that the share price will fluctuate or risks relating to dividends, over which the Issuer has no control. The performance of the shares depends to a very significant extent on developments on the capital markets, which in turn depend on the general global economic situation and more specific economic and political conditions. Shares in companies with low to medium market capitalisation may be subject to even higher risks (e.g. relating to their volatility or insolvency) than is the case for shares in larger companies. Moreover, shares in companies with low capitalisation may be extremely illiquid as a result of low trading volumes.

Shares of companies with its statutory seat or with significant business operations in countries with limited certainty of law are subject to additional risks such as, for instance, government interventions or nationalisation which may lead to a total or partial loss of the invested capital or of access to the capital invested in such country. The realisation of such risks may also lead to a total or partial loss of the invested capital for holders of Securities linked to such shares.

Holders of Securities that are linked to share prices do, contrary to investors which directly invest in the shares, not receive dividends or other distributions payable to the holders of the underlying shares.

Particular risks of Securities with bonds as underlying

Investors in Securities linked to a bond or to various bonds are, in addition to the credit risk of Commerzbank AG as Issuer of the Securities, exposed to the credit risk of the issuers of such underlying bond(s). In the event that an issuer of an underlying bond does not punctually perform its obligations under the bonds or if such an issuer becomes insolvent this may lead to a total loss of the invested capital in the Securities linked to such bond. In addition, investors should be aware that a deterioration in the creditworthiness of the issuer of an underlying bond during the term of the Securities may lead to significant price losses in the secondary market for the Securities.

Particular risks of Securities with commodities as underlying

Investors in Securities linked to commodities are exposed to significant price risks as prices of commodities are subject to great fluctuations. The prices of commodities are influences by a number of factors, including, inter alia, the following factors:

Cartels and regulatory changes

A number of producers or producing countries of commodities have formed organizations or cartels to regulate supply and therefore influence prices.

Trading in commodities is also subject to certain regulations imposed by supervisory authorities or markets. Changes to these regulations may affect the price development.

Cyclical supply and demand behaviour

Agricultural commodities are produced at a particular time of the year but are in demand throughout the year. In contrast energy is produced without interruption, even through it is mainly required during cold or very hot times of the year. This cyclical supply and demand pattern may lead to strong price fluctuations.

Direct investment costs

Direct investments in commodities are associated with costs for storage, insurance and taxes. In addition, no interest or dividends are paid on commodities. The overall yield on commodities is influenced by these factors.

Inflation and deflation

The general development of prices may have a strong effect on the price development of commodities.

Liquidity

Many markets of commodities are not very liquid and may therefore not be able to react rapidly and sufficiently to changes in supply and demand. In case of low liquidity, speculative investments by individual market participants may lead to price distortions.

Political risks

Commodities are frequently produced in emerging markets and subject to demand from industrialized nations. This supply demand pattern holds political risks which may have a significant impact on prices of commodities.

Weather and natural disasters

Unfavourable weather conditions may have a negative effect on the supply of specific commodities for an entire year. A crisis of supply of this sort may lead to strong and incalculable price fluctuations.

Particular risks of Securities with funds or baskets of funds as underlying

Securities linked to one or more funds or a basket of funds involve, in particular, the following risks:

Fees

The performance of the Securities may be affected by fees which can arise at various levels. At the level of the fund itself, fees arise on a regular basis, for instance in the form of administration fees. Additional fees and expenses may arise and be charged due to the contracting of third parties for services in connection with the management of the fund.

At the level of the investments made by the fund, fees can arise, for instance when an investment is made in other funds or other investment vehicles, which adversely affect the performance of such investments, and thus also the value of the fund assets.

In case of diversified investments, performance-based fees may arise with regard to individual investments, even though a loss may have been incurred when looking at all investments together.

Illiquid investments

Underlying funds may invest in assets which are illiquid or subject to a minimum holding period. As a result, it may be difficult for the fund to sell such assets at all or at a reasonable price when it is required to sell them to generate liquidity, in particular in the case that investors want to redeem their units in the relevant fund. The fund may suffer substantial losses when it cannot sell illiquid assets or if it can only sell the assets below a reasonable price. This may negatively affect the value of the Securities.

Investments in illiquid assets may also lead to difficulties in calculating the net asset value of the fund which may result in postponements of payouts under the Securities.

Delayed NAV publication

A fund to which the Securities may be linked to may publish the net asset value with a delay. This may result in a postponement of the payouts under the Securities and may have adverse effects on the value of the Securities.

Dissolution of a fund

It cannot be excluded that during the term of the Securities an underlying fund may be dissolved. In the event of a dissolution of a fund the Issuer or the Calculation Agent may be entitled to make adjustments to the Securities in accordance with the terms and conditions which may include an early redemption of the Securities or a substitution of the underlying fund.

Postponement or suspension of redemptions

An underlying fund may redeem no or only a limited quantity of units on the scheduled times that are relevant for the calculation of the payouts under the Securities. This can result in a postponement of the payouts under the Securities and may negatively affect the value of the Securities.

Concentration on certain countries, industries or investment classes

An underlying fund may concentrate its investments on assets relating to certain countries, industries or asset classes. This may lead to fluctuations in value that are higher and occur within a shorter period of time than it would be if the risks were more diversified between industries, regions and countries.

Currency risks

The Securities may be linked to funds which are denominated in another currency than the currency in which the Securities are denominated or to funds which invest in assets that are denominated in another currency. Investors may therefore be subject to a significant currency risk.

Markets with limited certainty of law

Funds that invest in markets with limited certainty of law are subject to certain risks such as, for instance, government interventions which lead to a total or partial loss of the invested capital or of access to the capital invested there. These markets may not be regulated as reliably as others.

Effects of regulatory framework conditions

Funds might not be subject to any regulation or may invest in investment vehicles which are not subject to any regulation. Conversely, the introduction of regulation of a previously unregulated fund may create significant disadvantages for such funds.

Securities with hedge funds as underlying

Securities which are linked to units in funds that apply alternative investment strategies with special risks (hedge funds) (or, likewise an index which represents a hedge fund) are exposed to high risks. Such risks depend on the strategy and underlying investments of the relevant hedge fund and include, *inter alia*, insufficient transparency, lack of investment restrictions, concentration of risks, leverage, use of derivatives, short selling and trading with illiquid instruments. Additional risks concerning the underlying(s) may be set forth in the relevant Final Terms, if appropriate.

<u>RISK FACTORS RELATING TO COMMERZBANK AKTIENGESELLSCHAFT</u>

Strategic Risks

In acquiring Dresdner Bank and merging it with and into Commerzbank, the Bank has set itself the objective of establishing the Group for the long term as one of the leading German banks and creating a platform to unlock further growth potential, especially in Germany. In particular, the Bank aims to make the Group one of the leading main banks for private and corporate customers in Germany. However, the ongoing deterioration in economic conditions in the Group's core markets, i.e., particularly in Germany and Central and Eastern Europe, and worsening capital market conditions may prevent this goal from being achieved and the new strategic orientation from being implemented. Should the Group fail to implement the strategic plans it has announced, or fail to do so in full, or if the costs associated with the implementation of these plans were to exceed the Bank's expectations, the Group's business, results of operations and financial condition could be materially adversely affected.

The German banking sector is fiercely competitive. Competition is frequently driven by pricing, resulting in margins that are commercially unattractive or inappropriate compared with the level of risk. In retail banking there exists a to some extent extensive competition. This may intensify in the future as many competitors are increasing their focus on retail banking at the expense of their core business on the back of the financial market crisis. In addition, the banks seek to reduce their dependency on the interbank market by increasing the share of their funding obtained from retail deposits. This development may also lead to even more intense competition.

In the corporate client business, and also in the area of investment banking, German banks are competing with a range of foreign providers that have considerably expanded their footprint on the German market in the past few years, even though there has recently been talk of foreign banks adopting a more defensive business policy. On account of this intense competition, it is not possible to generate commercially attractive margins in some segments or subsegments of the market. In response to this situation, some competitors in the corporate client business do not always take sufficient account of the default risk that lending entails (risk-adjusted pricing). As a result, there is a risk at present that competition in the sector will continue to intensify.

Should the Group fail to offer its products and services on competitive terms while continuing to generate margins that at least compensate for the costs and risks associated with its business activities, its business, results of operations and financial condition could be materially adversely affected.

The Group is exposed to liquidity risk, i.e., the risk of being unable to meet its current and future payment obligations or of being unable to fulfill such obligations on time. Liquidity risk can take various forms. For example, the Group may be unable to meet its payment obligations on a particular day and may have to obtain liquidity from the market at short notice and on expensive terms or may even fail to obtain liquidity. There is also a risk that deposits are withdrawn prematurely or that lending commitments are unexpectedly taken up. Difficulties of this nature may be triggered by circumstances that are unrelated to the Group's business and are outside of its control (for example, by negative developments in the financial markets in relation to the Group's competitors). Moreover, larger-scale losses, rating changes, a general decline in business activity in the financial sector, regulatory measures, serious misconduct by employees, unlawful actions and a wide range of other reasons may have an adverse impact on the Group's business performance and its future prospects and therefore entail material adverse implications for the Group's business, results of operations and financial condition.

The financial market crisis has resulted in downside pressure on banks' share prices and creditworthiness, in many cases irrespective of their financial strength, and has had a similar effect on other capital markets participants. If the current market dislocation continued or became worse, this could restrict the Group's access to the capital markets and limit its ability to obtain funding on acceptable terms and meet the capital requirements prescribed under supervisory provisions. Although the Financial Market Stabilization Fund (Sonderfonds Finanzmarktstabilisierung, the "SoFFin") provided the Bank with two silent participations of € 8.2 billion each and received a stake of 25.0% plus one share in the Bank from the capital increase against cash contributions approved by resolution of the Annual General Meeting held on May 16, 2009, the possibility that additional stabilization measures will be required in future cannot be ruled out. Should this prove to be the case, the Group might be forced to dispose of assets held by it for less than their book value and to rein in its business activities. Measures of this nature could have a material adverse impact on the Group's business, results of operations and financial condition.

The rating agencies Standard & Poor's, Moody's and Fitch Ratings perform creditworthiness assessments to decide whether a potential borrower will in future be in a position to meet its contractually agreed credit obligations. A key element of the rating awarded is the rating agency's assessment of the borrower's business, results of operations and financial condition. Commerzbank's rating is an important comparative element in competition with other banks. In particular, it has a major influence on the ratings of its main subsidiaries. A downgrade or even the possibility of a downgrade in Commerzbank's rating or that of one of its subsidiaries could also have a detrimental impact on the bank's relationship with its customers and on sales of products and services by the company in question. A rating downgrade would therefore have negative implications for the Group's costs with regard to procuring equity and debt capital and could result in new liabilities arising or existing liabilities being accelerated for repayment if such liabilities depended on a certain rating being maintained. Furthermore, it is possible that following a rating downgrade the Group might be required to furnish additional collateral in connection with rating-dependent collateral agreements for derivative transactions. If the rating of Commerzbank or one of its subsidiaries were downgraded to below the four highest rating levels, the Bank's operations or those of the subsidiary concerned and, concomitantly, the funding costs of all Group companies could be materially adversely affected. This, in turn, could materially adversely impact the Group's business, results of operations and financial condition.

On the basis of the statutes of the Deposit Protection Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands deutscher Banken e.V.*) (the "Deposit Protection Fund"), Commerzbank has furnished a declaration of indemnification to the Deposit Protection Fund for a number of its associates that are members of the Deposit Protection Fund (comdirect bank Aktiengesellschaft ("comdirect bank"), Eurohypo, the European Bank for Fund Services ("ebase") and Deutsche Schiffsbank AG ("Deutsche Schiffsbank")). According to this declaration, the Bank has undertaken to indemnify the fund against any losses it incurs in providing assistance to one of the aforementioned companies. Any intervention by the Deposit Protection Fund to support a subsidiary of Commerzbank could therefore have a material adverse effect on the Group's business, results of operations and financial condition. Moreover, any rescue measures taken by the Deposit Protection Fund could result in sustained reputational damage to the Group.

Risks arising from the Integration of the Former Dresdner Bank

The Bank expects the integration of the former Dresdner Bank into the Group to unlock substantial synergetic effects (such as an improvement in the Group's risk position through diversification or income and cost synergies). However, these effects may be smaller or be realized at a later date than expected. Moreover, the integration project is a complex and time-consuming enterprise which will tie up senior resources at the Group for a long period. This may result in other areas not being managed to the extent required, which could mean that ongoing business activities suffer. Preparing and implementing the integration project entails a large number of decision-making processes, which can cause unease among staff. The integration of Dresdner Bank into the Group also involves significant costs and investment (especially in connection with standardizing IT systems, realizing planned headcount reductions and implementing a new, uniform corporate image). These costs and investments could erode the Group's operating profits and its return on equity. Furthermore, unexpected risks and problems may arise that the Board of Managing Directors cannot currently foresee or evaluate. If these risks or problems were to arise, they could make the integration of Dresdner Bank into the Group more difficult and, in particular, result in an unplanned increase in the cost of the integration process. Each of these factors could have material adverse implications for the Group's business, results of operations and financial condition.

The Group's strategy envisages an adjustment of the size of the investment banking business (based, e.g., on risk-weighted assets) in line with the Group's revised business model. The aim is to establish a risk-averse investment banking business with an enhanced cost/income ratio. However, implementing this strategy could take longer than scheduled and entail higher costs than expected. Specific difficulties may arise from the riskier portfolios such as those containing credit derivatives and equity derivatives. In addition, it cannot be ruled out that, even if the strategy is implemented successfully, the aim of sustained, stable profitability will not be achieved.

In connection with the Transaction a goodwill of € 0.8 billion was accounted. In the 2009 fiscal year and in subsequent years, these assets will be tested with respect to their future economic benefits based on the underlying cash-generating units no less frequently than at each balance sheet date. In this process, the carrying amount of the cash-generating units (including the attributed goodwill) will be compared with the recoverable amount. If there are objective indications that the economic benefits originally identified can no longer be realized, an impairment charge must be taken. If an impairment review on a future balance sheet date results in a significant impairment of the goodwill or trademark rights recognized on the balance sheet, the Group's business, results of operations and financial condition could be materially adversely affected.

As part of the acquisition of Dresdner Bank by Allianz and the disposal of the cominvest group to Allianz Global Investors Kapitalanlagegesellschaft mbH ("AGI"), a long-term sales partnership was agreed between the Group and Allianz in respect of the sale and distribution of asset management and insurance products. However, as a result of the financial market crisis, there may be structural changes in customers' demand behavior. In addition, changes in the regulatory and tax framework may affect the relative appeal of investment and retirement products and have implications for their sales. In the event that these changes occur, adverse effects on the sale of asset management and insurance products cannot be ruled out. As a consequence, actual business performance could lag behind plans. This, in turn, would result in a reduction in the Group's commission income and could have a material adverse impact on its business, results of operations and financial condition.

There is a risk that the customers of the former Dresdner Bank may not remain customers of the Group in the long term. It cannot be ruled out that the customer base transferred to the Group by the former Dresdner Bank in connection with the Transaction will not generate the income expected by the Group over the long term. In particular, following the integration of the former Dresdner Bank into the Group, there is a risk that the customer base will shrink due to customer defections. This could have a material adverse effect on the Group's business, results of operations and financial condition.

Credit Risks

The Group is subject to credit risks, especially creditworthiness and counterparty risks, arising from the credit business with customers and banks, the credit substitution business (i.e., transactions involving structured credit products), financial instruments in the investment portfolio (such as bonds issued by industrials, banks, insurance companies and governments), other financial instruments and derivative transactions. The Group defines credit risks as risks from possible losses in value that may be caused by changes in a business partner's creditworthiness or default on the part of a business partner (e.g., due to insolvency). In addition to risks relating to creditworthiness and default, subcategories of credit risks include settlement risks, counterparty risks and country risks. A deterioration in borrowers' economic situation, defaults and impairments on collateral provided may necessitate increased risk provisions to cover acute and latent credit default risks and/or heightened capital adequacy requirements for the Group due to higher risk-weighted assets.

Furthermore, the Group may be exposed to additional provisioning charges, especially in respect of financing leveraged buyout ("LBO")[1] transactions, the shipping portfolio, the Central and Eastern Europe segment or other parts of the portfolio. Specifically, the global recession is expected to necessitate an increase in risk provisions for loans to small and medium-sized enterprises.

If any or all of the risks described above arose, this could have material adverse implications for the Group's business, results of operations and financial condition.

A substantial portion of the Group's assets and liabilities comprises financial instruments that have to be recognized at fair value in the Bank's consolidated balance sheet. This also applies to the Group's holdings that are not part of the portfolio of instruments with subprime exposure and other structured financial instruments. For specific risks relating to these portfolios please see "Risks arising from Structured Credit Products".

For many financial instruments there are no objective market prices. In these cases, the fair value is calculated on the basis of the valuation methods appropriate to the instrument in question. The application of valuation methods to determine the fair value necessitates assumptions and estimates which depend on, among other factors, the characteristics of the respective instrument and the complexity and liquidity of the underlying market. Examples of necessary decisions relate to the selection of modeling procedures and model parameters. If individual assumptions or estimates change owing to negative market trends or other reasons, revaluations of the instrument in question may result in significant adjustments to the fair value, which could entail considerable losses.

[1] Leveraged buyout means the takeover of a company financed with a (sometimes) high level of debt and only a small amount of equity. Principal and interest are paid from the cash flow of the target company or the proceeds of the sale on exit.

Furthermore, it should be noted that any loss in connection with adjustments to the fair value of an asset or liability are netted against any profits from related risk-hedging transactions. However, such profits are latent until the transaction is completed, and losses may be incurred in future periods, due for example to a deterioration in the contracting partner's creditworthiness. Such losses would offset the gains reported in full or in part. Even though these losses do not necessarily result from changes in the fair value of the underlying asset, they could have material adverse implications for the Group's business, results of operations and financial condition.

To a large degree, the commercial success of the real estate finance operations of Eurohypo Aktiengesellschaft ("Eurohypo") depends on trends in the property markets, which recently have shown a high degree of uncertainty. In the real estate finance business, the risk of counterparty default not only includes credit risk, but also collateral risk, which primarily comprises the possibility of a decrease in the value of the collateral provided. As a consequence of the financial market crisis and the economic slump, the market values of many properties have been subject to considerable fluctuations for some time now and have fallen sharply in some cases, which has had a correspondingly negative impact on Eurohypo's business activities. Factors that can have a sustained influence on the real estate market include the relationship between the supply of commercial properties and the demand for them, construction delays and defects, legacy issues and ground contamination, the availability of tenants, investment behavior and general cyclical fluctuations on the property market. The Bank has concluded a control and profit transfer agreement with Eurohypo in which it has undertaken, among other commitments, to offset any losses incurred by Eurohypo. The risk of volatile real estate prices could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

Risks arising from Structured Credit Products

The international financial markets have been suffering from the major impact of the subprime crisis, which originated in the U.S. market for subprime mortgage loans (i.e., generally variable-rate mortgages issued to borrowers with inadequate credit histories), and the after-effects of this crisis. The originating banks regularly used what were in some cases complex financial instruments (structured credit products) to transfer, either directly or using special investment vehicles ("SIVs"), the risks arising from these loans to the international capital markets. For some time, the financial instruments were considered by investors to be attractive capital investments, not least because of the good ratings they were awarded by the ratings agencies.

After the financial market crisis had initially spread to a number of banks that specialized in credit products with subprime exposure, and investment banks, hedge funds and also bond and credit insurers (especially monoline insurers) found themselves in difficulty or even became insolvent in some instances, the crisis took a major turn for the worse and led to among other things significant restructuring especially of U.S. banks, often in conjunction with governmental supportive measures. Like the U.S. banks also European banks were highly affected by the intensified impacts of the financial crisis and fell into financial and in some cases existential distress which they could often only overcome with governmental stabilizing measures.

Refinancing of banks still (also in the interbank market) suffers because of a lack of confidence not least due to the complexity of a lot of structured financial products with and without subprime exposure to which there is insufficient transparency as to the dimension of risks. Even government bonds and bonds from top-rated issuers occasionally reacted with changes in market value, significant in some cases.

The crisis on the financial markets also led to a considerable increase in the volatility of financial instruments' market values. This had an impact on trading profits and net investment income, which were hit hard by valuation losses in the Group's ABS[2] portfolio. Heightened volatility also makes risk management more difficult, as it makes the results of the model calculations and stress tests used for this purpose less reliable. In addition, greater volatility makes it more expensive to hedge risks.

The financial market crisis has therefore weighed heavily on the Group's business, results of operations and financial condition, and it should be assumed that the crisis will continue to give rise to material adverse consequences for the Group in future.

To a large extent, demand for the Group's products and services depends on general economic trends. In the Private Customers segment, declining corporate valuations prompt customers to switch to lower-risk investment options, which generally only generate relatively low sales commissions. In the *Mittelstandsbank*, Central and Eastern Europe and Corporates & Markets segments, the economic downswing is having a direct impact on the demand for credit from companies. Because a weak economic environment also makes corporate insolvencies and therefore credit defaults more likely, higher provisions for possible loan losses are required. In addition, because of lower company valuations, the deteriorating outlook for corporate earnings results in less interest in mergers and acquisitions and capital market transactions such as initial public offerings, capital increases or takeovers, and the proceeds from advisory and placement business decline accordingly. Should the financial market crisis continue, there could be more insolvencies at banks, insurance companies or other corporations, prompting further deterioration in the overall economic environment. This could exacerbate the risks described. Thus, the economic downturn has had a material adverse effect on the Group's business, results of operations and financial condition, and additional pressure is expected.

Because the markets for securities related to U.S. residential mortgages have been increasingly illiquid since July 2007, certain categories of securities held by the Group, including securities that were awarded very good ratings by the rating agencies, have lost a large part of their value over this period.

The Group is subject to the risk of impairments and losses in respect of both financial instruments with subprime exposure and other structured financial instruments, and this risk will remain until market sentiment and the liquidity of these products experience a material and sustained improvement. The Group hold structured financial instruments with and without subprime exposure, in particular structured credit products as well as conduits[3], which primarily comprise liquidity facilities/backup lines in favour of the conduits administered by the Group. Most of the securitized asset portfolios underlying the conduits stem from customers, with a smaller portion from the securitization of the Bank's own loan receivables within the scope of active credit risk management. These asset portfolios are highly diversified and do not include any of the subprime RMBS[4] instruments affected by the crisis.

[2] ABS or Asset-backed securities are securities or certificates of indebtedness representing claims against a special purpose vehicle set up solely for the purpose of an ABS transaction. The claims are backed by a portfolio of claims, which are transferred to the special purpose vehicle and are for the benefit of the holders of the asset-backed securities as collateral for the liabilities.

[3] Conduits are special-purpose vehicles whose only corporate purpose is to issue securities to purchase receivables as part of an asset securitization.

[4] RMBS or residential mortgage-backed securities are asset-backed securities where the receivables securitized are real estate loans secured by mortgages on residential property.

The Group continues to hold substantial positions in financial instruments with subprime exposure as well as other structured instruments. In the Group's opinion, the markets for these securities will be subject to liquidity bottlenecks for the foreseeable future. At present, it is not possible to forecast how long these bottlenecks will persist and whether they might even become more severe. It is, therefore, certainly possible that the Group will incur further significant charges upon the disposal of financial instruments with subprime exposure and other structured instruments, or in the event of defaults on these instruments, liquidity bottlenecks in the relevant markets or other developments relevant from a valuation perspective.

Should the Group no longer be in a position to use valuation models to calculate the fair value of financial instruments with subprime exposure and other structured instruments, future write-downs and/or losses could prove to be even greater than in the past. A decline in the fair value of an asset or an increase in the fair value of a liability gives rise to a corresponding charge in the income statement. Depending on the extent of the change in value, the level of this charge could be significant and entail a substantial loss. Calculating the fair value of financial instruments with subprime exposure or other structured instruments on the basis of actual market or indicative prices could result in far lower fair values in future if market prices reach substantially lower levels than those of model prices. Prices could reach a very low level if portfolios of structured products were sold at a very large discount to market values. If amendments were made to – or if there were changes in the interpretation of – the relevant accounting standards, the regulatory framework or the rating agencies' criteria, such changes could compel the Group to alter its existing valuation models in respect of structured financial instruments with and without subprime exposure, which would result in concomitant changes to the respective fair values.

The Portfolio Restructuring Unit (PRU) is tasked with the active and transparent management and reduction of the portfolios and structured bonds within the segment that have been earmarked for downsizing. However, in light of the high volatility on the markets, there is a risk of further material impairments and also of losses from disposals.

If any of the risks described above arose, the Group's business, results of operations and financial condition could be materially adversely affected.

In large parts of its business, the Group is exposed to market liquidity risks. Liquidity is scarce on a number of markets. In the current economic environment, this is especially true of those markets which are directly or indirectly related to the US residential mortgage market. Furthermore, in the event of a long-term downturn normally liquid markets will also see a considerable decline in liquidity. However, the same risk can also arise in other markets. In illiquid markets, it is possible that the Group will find it difficult to dispose of assets at short notice without a discount or to engage in corresponding hedging transactions. This could have a material adverse impact on the Group's business, results of operations and financial condition.

In connection with OTC derivatives in particular (including credit default swaps ("CDS")) the Group is subject to default risks vis-à-vis bond and credit insurers, including monoline insurance companies and credit derivative product companies ("CDPCs"). CDS are recognized at fair value in the balance sheet. The position of the monoline insurers and CDPCs is still considered to be critical on account of rating downgrades, the need to raise fresh capital on the market and possible legal and regulatory changes. Should the financial position of the bond and credit insurers in general and the monoline insurers and CDPCs in particular continue to deteriorate, the Group could be forced to make additional value adjustments to the CDS concluded with these companies and its receivables from similar transactions, which could have a material adverse effect on its business, results of operations and financial condition.

Market Risks

Since July 2007, the price of shares and fund units has been falling due to, among other factors, negative sentiment on the financial markets. Should this trend continue, this could result in further devaluation of the shares and fund units held in the Group's financial investment and trading portfolio. If this valuation risk were to materialize, it could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to interest rate risk to the extent that asset-side and liability-side positions in the various maturity ranges do not match the amount or the interest rate, which gives rise to open asset-side and liability-side interest rate positions. For open liability-side fixed interest positions, falling market interest rates result in a decline in the market value of the liability-side positions and may entail a decrease in the interest margin. For open asset-side fixed interest positions, rising market interest rates result in a decline in the market values of the asset-side positions and may entail a decrease in the interest margin. In the case of variable-rate products, interest rate changes do not entail any market value risk; however, changes to market interest rates lead to a change in interest expense or income. If the Group is not successful in managing its open interest positions efficiently in line with market trends and the predetermined limits, this could have material adverse implications for the Group's profitability, its risk-bearing capacity and its core capital and total capital ratios. If one or more of the aforementioned risks were to materialize, this could have a material adverse effect on the Group's business, results of operations and financial condition.

The uncertainty on the financial markets triggered by the subprime crisis and the scarcity of liquidity have caused spreads, the yield differentials versus risk-free investments, to widen sharply. There has been a decline, significant in some cases, in the market values of German government bonds due to temporary upheaval in the yield curve, and in other government and top-rated corporate bonds owing to widening spreads. If widening of the spreads continued or even accelerated, this would lead to a further decline in market values and therefore a loss in the net present value of outstanding bonds and corresponding additional pressure on the revaluation reserve. Additional net present value losses in the financial investment portfolio could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group's subsidiaries resident outside of the eurozone prepare their individual financial statements in foreign currency. Currency fluctuations between the euro and the respective local currencies can mean that during conversion of positions in the non-consolidated financial statements that are not denominated in euro for inclusion in the consolidated financial statements, different exchange rates are applied from those used in previous reporting periods and that these conversion differences weigh on the Group's equity capital. In addition, the Bank and other Group companies resident in the eurozone engage in transactions that are not denominated in euros. The relative appreciation or depreciation of the respective foreign currency versus the euro can lead to correspondingly higher costs or lower income from these foreign currency transactions. To the extent this risk is not hedged, the Group's business, results of operations and financial condition could be materially adversely affected.

In its operating business, the Group is exposed to market price risks arising from trading in commodity-related derivatives, certificates and spot transactions. The underlying commodities are principally precious metals, industrial metals, energy, agricultural products and live cattle. The prices of these financial instruments can rise or fall due to a wide range of factors, including general economic conditions, market trends, exchange rate movements and changes in the legal and political framework. If positions are not fully hedged against these risks, losses may arise which could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group is engaged in the structuring and trading of financial derivatives. Derivatives are subject to price fluctuations due to volatility changes (i.e., changes in the fluctuation range) of the instruments underlying the prices (such as shares, currencies, interest rates and commodities). To the extent derivatives are linked to two underlying instruments or to a portfolio of underlying instruments (e.g., two currencies or a portfolio of shares), the prices of these derivatives are also subject to what are known as correlation fluctuations. Correlation is a statistical measure of the linear interaction between two underlying instruments – the higher the correlation coefficient, the greater the extent to which the two underlying instruments will move in step. For example, correlation generally increases in sharply rising or falling stock markets. If derivative positions are not hedged against volatility changes or correlation fluctuations, losses may arise which could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group makes use of a range of instruments and strategies to hedge against market risks. If these instruments and strategies prove ineffective or only partially effective, the Group may suffer losses. Many of the risk-hedging strategies that the Group deploys are based on historical data. For example, if the Group holds a particular asset, a possible strategy for hedging the risks arising from this asset is to short-sell another asset, which, on the basis of historical observations, is likely to exhibit a trend inversely correlated with that of the asset being hedged. However, it is possible that this and other risk-hedging strategies are only partially successful or are not effective in every conceivable market environment or in respect of every conceivable risk. Unforeseen market developments such as the dramatic deterioration in the U.S. residential mortgage market that occurred in July 2007 may significantly reduce the effectiveness of the measures taken by the Group to hedge risks. Gains and losses from ineffective risk-hedging measures may heighten the volatility of the financial results achieved by the Group and could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

Risks from Equity Investment Stakes

The Group holds various equity investments in listed and unlisted companies. The efficient management of a portfolio of listed and unlisted companies entails high funding costs, which may not be (fully) offset by the dividends obtainable from these associates. Many of the equity investments that the Group holds in large listed companies in Germany and abroad are minority holdings. As a practical matter, this investment structure may make it more difficult for the Group to promptly obtain information required to timely counteract possible undesirable developments. Furthermore, it cannot be ruled out that in future the Group will have to make valuation allowances with respect to its portfolio of equity investments or that the Group will not be successful in disposing of its equity investments via the stock market or in off-exchange transactions at appropriate prices. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Risks arising from Pension Obligations

Commerzbank and its subsidiaries have various direct and indirect pension obligations towards their current and former staff. These obligations constitute contingent liabilities for accounting purposes, as the precise timing and duration of payout is not confirmed. These obligations therefore entail various risks. In making a commitment to grant direct pension benefits, the Group assumes similar risks as a life insurance company (e.g., fluctuation risk, the risk of sudden changes to the balance sheet, longevity risk, administrative risks, inflation risk, etc.). The assets reserved in the business or in segregated pension funds to meet subsequent pension payments are subject to the risks typically associated with a capital investment. The volume of existing pension obligations may increase on account of judicial rulings and legislation (for example with reference to factors such as equality of treatment, adjustment, non-forfeitability and retirement age). Risks, however, may also arise due to changes in tax legislation and/or in judicial rulings. Obligations similar to pensions (such as obligations in respect of early retirement, part-time work arrangements for older employees and anniversaries) also carry similar risks. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Operational Risks

As part of its normal business activities, the Group conducts a large number of complex transactions in a wide range of jurisdictions and in this connection is exposed to a variety of operational risks. These risks concern, in particular, the possibility of inadequate or erroneous internal and external work processes and systems, regulatory problems, human errors and deliberate legal violations such as fraud. Moreover, it is possible that external events such as natural disasters, terrorist attacks or other exceptional situations could have a highly negative impact on the environment in which the Group operates and thus, indirectly, on the Group's internal processes. Such events may cause the Group to suffer substantial losses and reputational harm. Furthermore, the Group may be forced to make staff redundant, which might have a detrimental impact on the Group's business. The Group endeavors to hedge operational risks by implementing appropriate control processes tailored to its business and the market and regulatory environment in which it operates. Nevertheless, it is possible that these measures prove to be ineffective in relation to particular or all operational risks to which the Group is exposed. Even though the Group endeavors to insure itself against the most significant operational risks, it is not possible to obtain insurance cover for all the operational risks on commercially acceptable terms on the market. Should one, some or all of the risks described in this paragraph arise, the Group's business, results of operations and financial condition could be materially adversely affected.

IT Risks

The type of comprehensive institutional banking carried out by the Group is highly dependent on complex IT systems. IT systems are prone to a range of problems such as computer viruses, damage, other external threats, operational errors and software or hardware errors. The harmonization of the wide variety of IT systems used in the Group to create a standardized IT architecture presents a particular challenge. Furthermore, regular upgrades are required for all IT systems to meet the demands imposed by constant changes in business and supervisory requirements. In particular, compliance with the Basel II requirements has placed major demands on the functionality of the Group's IT systems and will continue to do so in the future. In addition, it is possible that upgrades will not function in the manner required. If these risks were to materialize, the Group's business, results of operations and financial condition could be materially adversely affected.

The use of modern technologies is highly significant to the banking sector and the Group's business. Continuous growth in electronic trading and the introduction of related technologies are changing the manner in which banking business is conducted and are creating new challenges. Securities, forward and option transactions are increasingly being processed electronically. Some of the electronic trading platforms via which these transactions are processed are in competition with the systems currently used by the Group, and it is foreseeable that the expected further penetration of electronic trading platforms will further intensify this competition in future. In addition, because the Group's customers are increasingly using low-cost electronic trading platforms that offer them direct access to the trading markets, this trend could lead to a reduction in the brokerage commissions and margins generated by the Group, which could have material adverse implications for the Group's business, results of operations and financial condition.

Personnel Risks

Across all its business areas, the Group is dependent on its ability to hire highly qualified employees and to retain them for the long term. The Group endeavors to counteract the risk of losing expertise as a result of key employees leaving the Group by taking various actions such as talent, management and career development measures. Despite these measures, it cannot be ruled out that the Group will not succeed in continuing to hire and retain highly qualified employees in future. Should the Group's efforts to hire and retain such staff fail, its business, results of operations and financial condition could be materially adversely affected.

Regulatory, Legal and Reputational Risks

The Group's business activities are regulated and supervised by the central banks and supervisory authorities in the countries in which it operates. In each of these countries, a banking license or at least notification of the national supervisory authorities is required for Commerzbank, its subsidiaries and, from time to time, also its branches and in some cases for the Group in its entirety. The bank regulatory regime in the various countries may change at any time. In the event of changes to the regulatory provisions in one or more countries, additional requirements may be imposed on the regulated entities that limit their ability to operate in certain business areas or even rule out such activities completely. In addition, compliance with changed regulatory requirements may lead to a material increase in the Group's administrative expenses. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Given the nature of its business, Commerzbank and its subsidiaries are regularly parties to a variety of judicial, arbitration and regulatory proceedings in Germany and a number of other jurisdictions. Such proceedings are characterized by a large number of uncertainties, and definitive predictions as to their outcome are not possible. Although the Company is not currently aware of any government interventions or investigations, court cases or arbitration proceedings that have been ongoing or completed in the last 12 months (including proceedings which to the Company's knowledge are still pending or could be commenced) and which have, recently have had or in future could have a material impact on the Group's financial situation or profitability, some of the risks associated with such proceedings are difficult to quantify or may not be quantified at all. As a result, it is possible that the losses resulting from pending or potentially imminent proceedings will exceed the provisions made for them, which could have a material adverse effect on the Group's business, results of operations and financial condition.

The data collected by the Group in connection with its business activities are strictly confidential and subject to data protection. The Group has taken a number of measures to protect the data processed and administered in the course of its business activities against misuse. However, it cannot be ruled out that these measures will prove to be inadequate and that the confidentiality of customer data will be breached by employees of the Group or third parties who circumvent the Group's security systems and obtain unauthorized access to these data. This may trigger obligations on the part of the Group to pay damages, which could result in a material deterioration in the Group's business, results of operations and financial condition. In addition, there may be negative implications for the Group's reputation.

The Group is subject to risks in respect of tax audits of previous and future assessment periods and other procedures; changes to tax legislation or judicial rulings on tax matters could have a detrimental impact on the Group's business activities, its business, results of operations and financial condition.

On May 7, 2009, the European Commission declared that the stabilization measures taken up by the Group are, in principle, compatible with the state aid provisions set out in the EU Treaty. However, for competitive reasons, a series of conditions were imposed on the Group. It cannot be ruled out that the Group will be unable to adequately and timely satisfy the conditions imposed by the European Commission. In the event of a breach of the conditions imposed by the European Commission, the Group could be required to repay, at least in part, the government funds received by it. Any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

Under U.S. law, the silent participations granted to the Company by the SoFFin and the SoFFin's purchase of a stake in the Company's share capital of 25.0% plus one share could constitute a change of control and result in restrictions on the amount of tax loss carryforwards that may be used each year by the branch in the United States. In this case, the Group's tax burden for each period in which a taxable profit is realized would not be reduced or would only be reduced in part, which could have material adverse implications for the Group's business, results of operations and financial condition.

The legal relationships between the Group and its clients are based on standardized contracts and forms prepard for a multitude of business transactions. Individual application problems or errors in such documentation therefore may affect a large number of customer relationships. In light of the ongoing changes in the overall business framework due to new laws and judicial rulings and the increasing influence of European legislation on national law, it is conceivable that not all the general terms and conditions of business, standard contracts and forms used by the Group comply with the applicable legal requirements at all times and down to the last detail. If application problems or errors arise or if individual contractual provisions or entire contracts are ineffective, this could affect a large number of customer relationships and result in substantial claims for damages or other legal consequences which would be negative for the Group, and could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to various reputational risks. Reputational risks exist with respect to all business transactions that lower confidence in the Group on the part of the public, customers, business partners, investors or rating agencies. In general, each of the risks described above entails reputational risks. Because of this, as with other non-quantifiable risks, the Group has defined processes and responsibilities that make it possible to identify reputational risks at an early stage and to deliver a response. However, these procedures may prove to be ineffective. If this means that the risks materialize, the Group's business, results of operations and financial condition could be materially adversely affected.

GENERAL INFORMATION

RESPONSIBILITY

Commerzbank Aktiengesellschaft (the "**Issuer**", the "**Bank**" or "**Commerzbank**", together with its consolidated subsidiaries "**Commerzbank Group**" or the "**Group**") with its registered office at Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany, accepts responsibility for the information contained in this Base Prospectus. The Issuer hereby declares that having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

IMPORTANT NOTICE ABOUT THIS BASE PROSPECTUS

The Base Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference and, in relation to any Series (as defined in the relevant Final Terms) of Notes or Certificates, as the case may be, should be read and construed together with the relevant Final Terms (as defined herein).

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme or the Securities is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or the Securities should purchase any of the Securities. Each investor contemplating purchasing Securities should make its own independent investigation of the financial conditions and affairs, and its own appraisal of the creditworthiness of the Issuer and of the Securities. None of this Base Prospectus, any other information supplied in connection with the Programme or the Securities constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any of the Securities.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme or the Securities is correct as of any time subsequent to the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offer or sale of the Securities may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Securities come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of the Securities in the European Economic Area and in the United States (see: "Offering and Selling Restrictions" on page 159).

The Issuer does not represent that this document may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of the Securities or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, the Securities may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances which are in compliance with any applicable laws and regulations.

AVAILABILITY OF DOCUMENTS

The Base Prospectus and any supplements thereto will be available for viewing in electronic form at the following website of Commerzbank Aktiengesellschaft (www.commerzbank.com) and copies thereof may be obtained free of charge at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany.

Furthermore, for the period of twelve months following the date of this Base Prospectus copies of the Articles of Association and the financial statements and management report of the Issuer for the financial years ended December 31, 2008 and 2009, the Annual Reports of the Commerzbank Group for the financial years ended December 31, 2008 and 2009 as well as the Interim report as of March 31, 2010 (reviewed English version) are available for inspection at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany.

INFORMATION RELATING TO THE SECURITIES

Further information relating to a particular issue of Securities such as type and conditions of the Security, issue price, issue date, redemption or interest or other payment calculations or specifications, underlying(s) (if any), market disruption, settlement disruption, adjustments, agents, taxation, specific risk factors, offering, clearing system, ISIN or other national security code(s), listing and any further information are set forth in the relevant Final Terms.

[In case of an increase of Notes and/or Certificates having been offered or listed for the first time on the basis of the base prospectus dated **[•]**(the "**Former Base Prospectus**") the terms and conditions and the form of final terms set forth in this Base Prospectus will be replaced by the respective terms and conditions set forth in the Former Base Prospectus. To this purpose the Terms and Conditions and the Form of Final Terms from the Former Base Prospectus are incorporated by reference into, and form part of, this Base Prospectus.**]**

The issue price of the Securities is based on internal pricing models of the Issuer and may be higher than their market value due to commissions and/or other fees relating to the issue and sale of the Securities (including a margin paid to distributors or third parties or retained by the Issuer) as well as amounts relating to the hedging of the Issuer's obligations under such Securities. Any distributor of the Securities receiving any commission or fee or non-monetary benefit may be obligated under applicable law to disclose the existence, nature and amount of such commission, fee or benefit to the investor. Investors should ensure that they have received such information prior to purchasing the Securities from such distributor.

POST-ISSUANCE INFORMATION

In the case of Securities where payments are linked to an underlying or several underlyings, the Issuer will not provide any post-issuance information regarding such underlying.

NO OFFER

This Base Prospectus does not, and is not intended to, constitute an offer or invitation by or on behalf of Commerzbank or any agent to any person to subscribe for, purchase or otherwise deal in any Securities nor is it intended to be used for the purpose of or in connection with offers or invitations to subscribe for, purchase or otherwise deal in any Securities.

TERMS AND CONDITIONS SET 1 (NOTES)

PROGRAMME TERMS AND CONDITIONS OF NOTES

(1) WHICH BEAR:

(i) INTEREST AT A FIXED RATE FOR ONE OR SEVERAL INTEREST PERIODS OR FOR THE ENTIRE TERM OF THE NOTES ("FIXED RATE NOTES"), OR

(ii) INTEREST THAT IS INCREASED ("STEP-UP NOTES") OR DECREASED ("STEP-DOWN NOTES") FROM ONE INTEREST PERIOD TO ANOTHER, OR

(iii) INTEREST AT A FLOATING RATE ("FLOATING RATE NOTES"), OR

(iv) INTEREST WHEREBY THE INTEREST RATE OR INTEREST AMOUNT IS TO BE DETERMINED BY REFERENCE TO AN EXCHANGE RATE, AN INDEX, A BOND, A SHARE, ANY OTHER SECURITY, A FUTURE, A FUND, A STRADDLE, A COMMODITY, SWAP RATE(S), INTEREST RATE(S), ANY OTHER UNDERLYING, A BASKET OR INDEX CONSISTING OF ANY OF THE BEFOREMENTIONED AND/OR FORMULA(E) FOR SOME OR ALL INTEREST PERIODS, PROVIDED THAT INTEREST PERIODS FOR WHICH THE INTEREST RATE OR INTEREST AMOUNT IS NOT DETERMINED IN SUCH A WAY MAY BE OR MAY HAVE A FLOATING OR FIXED RATE ("INTEREST STRUCTURED NOTES"), OR

(v) NO INTEREST ("ZERO COUPON NOTES" OR OTHER NOTES NOT BEARING INTEREST)

AND WHERE

(2) THE REDEMPTION AMOUNT MAY EITHER:

(i) BE AT PAR, OR

(ii) BE AT A SPECIFIED RATE ABOVE OR BELOW PAR, OR

(iii) BE DETERMINED BY REFERENCE TO AN EXCHANGE RATE, AN INDEX, A BOND, A SHARE, ANY OTHER SECURITY, A FUTURE, A FUND, A STRADDLE, A COMMODITY, SWAP RATE(S), INTEREST RATE(S), ANY OTHER UNDERLYING, A BASKET OR INDEX CONSISTING OF ANY OF THE BEFOREMENTIONED AND/OR FORMULA(E) ("REDEMPTION STRUCTURED NOTES"), OR

(iv) CONSIST PARTIALLY OR IN WHOLE OF SECURITIES (INCLUDING WITHOUT LIMITATION, OF A COMPANY OTHER THAN THE ISSUER) INSTEAD OF A CASH PAYMENT ("REVERSE CONVERTIBLE NOTES" OR OTHER NOTES WITH DELIVERY OBLIGATIONS).

The following terms and conditions apply to the Notes issued as Series No. **[number]** and Tranche No. **[number]** of that Series under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**").

§ 1
(FORM, TRANSFERABILITY)

(1) This issue of Notes (the "**Notes**") of Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the "**Issuer**") is issued in **[currency]** (the "**Issue Currency**") in the aggregate principal amount of **[amount]** (in words: (**[currency, amount]**) in the denomination of **[currency] [denomination]** (the "**Denomination**") each. The Notes will rank *pari passu* among themselves.

The following paragraphs (2) – (4) shall apply to all Notes issued through the Swedish CSD

(2) The Notes are issued in the form of Swedish dematerialised securities which entitle the Noteholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Notes will only be evidenced by book entries in the system of Euroclear Sweden, Box 7822, 103 97 Stockholm, ("**Euroclear Sweden**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Swedish Financial Instruments Accounts Act (1998:1479). There will be neither global bearer securities nor definitive securities and no physical notes will be issued with respect to the Notes.

(3) Transfers of the Notes and other registration measures shall be made in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), the regulations, rules and operating procedures applicable to and/or issued by Euroclear Sweden (the "**Swedish CSD Rules**").

(4) The term "**Noteholder**" in these Terms and Conditions refers to any person that is registered on a Euroclear Sweden-account as holder of a Note or, where applicable, any other person acknowledged as the holder pursuant to the Swedish CSD Rules. For nominee registered Notes the authorised nominee shall be considered to be the Noteholder. The Issuer is entitled to receive from Euroclear Sweden, at its request, a transcript of the register for the Notes in accordance with the Swedish CSD Rules.

The following paragraphs (2) – (4) shall apply to all Notes issued through the Norwegian CSD

(2) The Notes are issued in dematerialized registered form which entitle the Noteholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Notes will only be evidenced by book entries in the system of the Norwegian Central Securities Depositary VPS ASA, P.O. Box 4, 0051, Oslo, ("**VPS**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64). There will be neither global bearer securities nor definitive securities and no physical notes will be issued in respect of the Notes. Notes issued through the Norwegian CSD must comply with the Norwegian Securities Trading Act,

and the procedures applicable to and/or issued by VPS from time to time and as amended from time to time.

(3) Transfers of the title to the Notes and other registration measures shall be made in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64), the regulations, rules and operating procedures applicable to and/or issued by VPS (the "**Norwegian CSD Rules**").

(4) The term "**Noteholder**" in these Terms and Conditions refers to any person that is registered on a VPS-account as holder of a Note or, where applicable, any other person acknowledged as the holder pursuant to the Norwegian CSD Rules. For nominee registered Notes the authorised nominee shall be considered to be the Noteholder. The Issuer shall be entitled to obtain information from VPS in accordance with the Norwegian CSD Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder.

The following paragraphs (2) – (4) shall apply to all Notes issued through the Danish CSD

(2) The Notes are issued in the form of Danish dematerialised securities cleared through the Danish Securities Centre (*Værdipapircentralen*) ("**VP**"). The Notes are in registered uncertificated form in accordance with Danish Consolidated Act No. 214 of 2 April 2008 on Trading in Securities (the "**Danish Securities Trading Act"**), as amended from time to time, and Executive Order No. 4 of 4 January 2008 on, *inter alia*, the registration of fund assets in a securities centre (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) ("**Danish VP Registration Order**").

(3) The Notes will be transferable only in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The Notes will be issued in uncertificated and dematerialised registered form and no global bearer securities or definitive securities will be issued in respect thereof. The Notes issued and cleared through VP are negotiable instruments and not subject to any restrictions on free negotiability within Denmark.

(4) The term "**Noteholder**" in these Terms and Conditions refers to each person who is for the time being shown in the book entry system and register maintained by VP as the holder of such Notes for all purposes in accordance with the Danish Securities Trading Act and the Danish VP Registration Order.

The following paragraphs (2) – (4) shall apply to all Notes issued through the Finnish CSD

(2) The Notes are issued in the form of Finnish dematerialised securities which entitle the Noteholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Notes will only be evidenced by book entries in the system of Euroclear Finland Ltd, P.O. Box 1110, FI-00101 Helsinki, Finland, ("**EFi**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Finnish Act on

Book-Entry System (1991:826). There will be neither global bearer securities nor definitive securities.

(3) Transfers of the Notes and other registration measures shall be made in accordance with the Finnish Act on Book-Entry Accounts (1991:827), the regulations, rules and operating procedures applicable to and/or issued by EFi (the “**EFi Rules**”).

(4) The term "**Noteholder**" in these Terms and Conditions refers to any person that is registered on an EFi account as holder of a Note. For nominee registered Notes the authorised nominee shall be considered to be the Noteholder. Each of the Issuer and the Finnish Paying Agent (as defined in § 10), acting on behalf of the Issuer, is entitled to obtain from EFi a transcript of the register for the Notes.

The following paragraph (5) shall apply to all Notes

(5) The Issuer reserves the right to issue from time to time without the consent of the Noteholders another tranche of Notes with substantially identical terms, so that the same shall be consolidated to form a single Series and increase the aggregate principal amount of the Notes. The term "**Notes**" shall, in the event of such consolidation, also comprise such additionally issued notes.

The following § 2 shall apply to all Notes other than Interest Structured Notes, Zero Coupon Notes or other Notes not bearing interest

§ 2
(**INTEREST**)

The following paragraph (1) shall apply only to Fixed Rate Notes issued through the Swedish CSD

(1) The Notes bear interest at a rate of **[interest rate]** as from **[Interest Commencement Date]** (the "**Interest Commencement Date**") (exclusive). Interest is payable **[**annually **/** semi-annually **/** quarterly **/ other]** in arrear on **[Interest Payment Date(s)] [**of each year**] [**ending on **[last Interest Payment Date]]** (**[**the **/** each an**]** "**Interest Payment Date**"). **[**The first interest payment shall be due on **[first Interest Payment Date].]**

The following paragraph (1) shall apply to Fixed Rate Notes issued through the Norwegian, Danish and Finnish CSD

(1) The Notes bear interest at a rate of **[interest rate]** as from **[Interest Commencement Date]** (the "**Interest Commencement Date**") (inclusive). Interest is payable **[**annually **/** semi-annually **/** quarterly **/ other]** in arrear on **[Interest Payment Date(s)] [**of each year**] [**ending on **[last Interest Payment Date]]** (**[**the **/** each an**]** "**Interest Payment Date**"). **[**The first interest payment shall be due on **[first Interest Payment Date].]**

The following paragraph (1) shall apply only to Step-up and Step-down Notes issued through the Swedish CSD

(1) The Notes bear interest at a rate of **[interest rate]** as from **[Interest Commencement Date]** (the "**Interest Commencement Date**") (exclusive) until **[date]** (inclusive) and as from **[date]** (exclusive) **[insert applicable provisions]**. Interest is payable **[**annually **/** semi-annually **/** quarterly / other**]** in arrear on **[Interest Payment Date(s)]**

of each year **[**ending on **[last Interest Payment Date]]** (**[**the / each an**]** "**Interest Payment Date**"). **[**The first interest payment shall be due on **[first Interest Payment Date].]**

The following paragraph (1) shall apply to Step-up and Step-down Notes issued through the Norwegian, Danish and Finnish CSD

(1) The Notes bear interest at a rate of **[interest rate]** as from **[Interest Commencement Date]** (the "**Interest Commencement Date**") (inclusive) until **[date]** (exclusive) and as from **[date]** (inclusive) **[insert applicable provisions]**. Interest is payable **[**annually **/** semi-annually **/** quarterly **/** other**]** in arrear on **[Interest Payment Date(s)]** of each year **[**ending on **[last Interest Payment Date]]** (**[**the / each an**]** "**Interest Payment Date**"). **[**The first interest payment shall be due on **[first Interest Payment Date].]**

The following paragraph (1) shall apply only to Floating Rate Notes issued through the Swedish CSD

(1) The Notes bear interest at a rate of the Reference Interest Rate determined in accordance with paragraph (4) **[**plus **/** minus**] [margin]** as from **[Interest Commencement Date]** (exclusive) (the "**Interest Commencement Date**") up to the first Interest Payment Date (inclusive) and thereafter as from any Interest Payment Date (exclusive) up to the next following Interest Payment Date (inclusive) (each such period being an "**Interest Period**"). Interest is payable in arrear for each Interest Period on the relevant Interest Payment Date. Subject to the following paragraph and subject to paragraph (2), "**Interest Payment Date**" means **[Interest Payment Dates]**.

The following paragraph (1) shall apply to Floating Rate Notes issued through the Norwegian, Danish and Finnish CSD

(1) The Notes bear interest at a rate of the Reference Interest Rate determined in accordance with paragraph (4) **[**plus **/** minus**] [margin]** as from **[Interest Commencement Date]** (inclusive) (the "**Interest Commencement Date**") up to the first Interest Payment Date (exclusive) and thereafter as from any Interest Payment Date (inclusive) up to the next following Interest Payment Date (exclusive) (each such period being an "**Interest Period**"). Interest is payable in arrear for each Interest Period on the relevant Interest Payment Date. Subject to the following paragraph and subject to paragraph (2), "**Interest Payment Date**" means **[Interest Payment Dates]**.

The following paragraph, applicable only to Floating Rate Notes, shall be added to paragraph (1) if the Following Business Day Convention applies

If any such Interest Payment Date is not a Payment Business Day (§ 5 paragraph (4)), then such date shall be postponed to the next day that is a Payment Business Day.

The following paragraphs (2) and (3) shall apply to all Notes other than Interest Structured Notes, Zero Coupon Notes and other Notes not bearing interest

(2) The Notes will cease to bear interest at the end of the day preceding the date on which they become due for redemption, even if payment is made later than on the due date determined by the calendar in accordance with § 5 paragraph (4). The

Noteholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

(3) Should the Issuer for any reason whatsoever fail to provide to the Principal Paying Agent, when due, the necessary funds for the redemption of the Notes, then interest on the outstanding principal amount of such Notes will continue to accrue until the payment of such principal has been effected, however not beyond the fourteenth day after the date on which the necessary funds have been provided to the Principal Paying Agent and notice thereof has been given by publication in accordance with § 13.

The following paragraph (4) shall apply to all Floating Rate Notes (except for Reverse Floaters)

(4) The interest rate in respect of the Notes for each Interest Period shall be expressed as a rate per annum. This rate is equal to the Reference Interest Rate determined in accordance with paragraph (5) **[**plus **/** minus**] [margin]**, and shall be determined for each Interest Period **[**two **/ [other number] [**on the first**]]** Business Day**[**s**] [**prior to the commencement**]** of each Interest Period (the "**Interest Determination Date**") by the Calculation Agent. A "**Business Day**" in the meaning of this § 2 paragraph (4) shall be any day **[**(other than a Saturday or Sunday) on which commercial banks are open for business in **[**Frankfurt am Main **/** London **/ [other city]] / [**and**]** on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) settles payments**]**.
[*Alternatively*: Insert other applicable provisions for reference rates other than EURIBOR or LIBOR]

The following paragraph (4) shall apply only to Floating Rate Notes in the form of Reverse Floaters

(4) The interest rate in respect of the Notes for each Interest Period shall be expressed as a rate per annum. This rate is equal to **[interest rate]** less the Reference Interest Rate determined in accordance with paragraph (5) and shall be determined for each Interest Period **[**two **/ [other number]] [**on the first**]** Business Day**[**s**]** prior to the commencement of each Interest Period (the "**Interest Determination Date**") by the Calculation Agent. A "**Business Day**" in the meaning of this § 2 paragraph (4) shall be any day **[**(other than a Saturday or Sunday) on which commercial banks are open for business in **[**Frankfurt am Main **/** London **/ [other city]] / [**and**]** on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) settles payments**]**.
[*Alternatively*: Insert other applicable provisions for reference rates other than EURIBOR or LIBOR]

The following paragraphs (5) and (6) shall apply to all Floating Rate Notes (including Reverse Floaters)

(5) **[Number]**-months **[EURIBOR/LIBOR]** (the "**Reference Interest Rate**") is the interest rate expressed as a rate per annum published on screen page **[relevant screen page]** (or any successor page of the aforementioned agency or a screen page of another agency) (the "**Screen Page**") on the Interest Determination Date at or about **[**11.00 a.m. **/ [other time]]** (**[**Brussels **/** London**]** time) for deposits in the Issue Currency for the relevant Interest Period. If the Calculation Agent cannot determine the Reference Interest Rate as aforementioned, because the Screen Page is not

published, or if the Calculation Agent cannot make such determination for any other reason, then the Reference Interest Rate for the respective Interest Period shall be the arithmetic mean **[**(rounded, if necessary, to the nearest one thousandth of a percentage point, 0.0005 being rounded upwards) ***/*** (rounded, if necessary, to the nearest one hundred thousandth of a percentage point, 0.000005 being rounded upwards)**]** determined by the Calculation Agent of the interest rates which five reference banks selected by the Calculation Agent in conjunction with the Issuer (the "**Reference Banks**"), quote to prime banks on the relevant Interest Determination Date for deposits in the Issue Currency for such Interest Period. Should two or more of the Reference Banks provide the relevant quotation, the arithmetic mean shall be calculated as described above on the basis of the quotations supplied. If less than two Reference Banks provide a quotation, then the Reference Interest Rate for the respective Interest Period shall be determined by the Calculation Agent in its reasonable discretion.

[*Alternatively*: Insert other applicable provisions for reference rates other than EURIBOR or LIBOR]

(6) The Calculation Agent shall notify the Issuer, the Paying Agents, the Clearing System and, if so required by its rules, the stock exchange on which the Notes are listed, without undue delay, but in no event later than the first day of the relevant Interest Period, of the interest rate determined with respect to the relevant Interest Period, the amount payable in respect of each Note as well as the respective Interest Payment Date. **[**The Principal Paying Agent shall without undue delay publish the interest rate, the interest amount payable in respect of each Note and the Interest Payment Date in accordance with § 13 hereof.**]** In the event of an extension or a shortening of the Interest Period, the amount of interest payable and the Interest Payment Date may be subsequently amended, or appropriate alternative arrangements may be made by way of adjustment by the Calculation Agent of which adjustment the Issuer, the Paying Agents, the Clearing System and, if so required by its rules, the stock exchange on which the Notes are listed shall be notified without undue delay.

The following paragraph [(7)] shall apply only to Floating Rate Notes having a minimum interest rate

[(7)**]** In the event that the interest rate determined with respect to an Interest Period pursuant to this § 2 is less than **[minimum interest rate]**, the interest rate for such Interest Period shall be **[minimum interest rate]**.

The following paragraph [(8)] shall apply only to Floating Rate Notes having a maximum interest rate

[(8)**]** In the event that the interest rate determined with respect to an Interest Period pursuant to this § 2 is greater than **[maximum interest rate]**, the interest rate for such Interest Period shall be **[maximum interest rate]**.

The following paragraph [(9)] shall apply to all Notes other than Interest Structured Notes, Zero Coupon Notes and other Notes not bearing interest

[(9)**]** The calculation of interest

The following paragraph shall apply only if "***Actual/Actual***" ***is the agreed Day Count Fraction***

shall be effected on the basis of the actual number of days elapsed divided by 365 or (if a 29 February falls within the relevant interest determination period) divided by 366.

The following paragraph shall apply only if "***Actual/Actual***" ***(ISDA) is the agreed Day Count Fraction***

shall be effected on the basis of the actual number of days elapsed [in this interest determination period] divided by 365 (or, if any portion of that interest determination period falls in a leap year, the sum of (A) the actual number of days in that portion of the interest determination period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the interest determination period falling in a non-leap year divided by 365).

The following paragraph shall apply only if "***Actual/Actual (ICMA)***" ***is the agreed Day Count Fraction***

[(a) for an Interest Calculation Period which is equal to or shorter than an Interest Determination Period, shall be effected on the basis of the actual number of days elapsed divided by the product of (x) the number of days in the Interest Determination Period and (y) the number of Interest Determination Periods normally ending in any year,

(b) for an Interest Calculation Period which is longer than an Interest Determination Period, shall be effected on the basis of the sum of

(i) the actual number of days elapsed in the Interest Determination Period during which the period, with respect to which interest is to be calculated, begins, divided by the product of (x) the number of days in such Interest Determination Period and (y) the number of Interest Determination Periods normally ending in any year

and

(ii) the actual number of days elapsed in the next Interest Determination Period divided by the product of (x) the number of days in such Interest Determination Period and (y) the number of Interest Determination Periods normally ending in any year.

"**Interest Determination Period**" means the period from (and including) the preceding Interest Payment Date to (but excluding) the next Interest Payment Date.

"**Interest Calculation Period**" means (i) the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date, (ii) each period from (and including) the preceding Interest Payment Date to (but excluding) the next Interest Payment Date as well as (iii) the period from (and including) the last Interest Payment Date to (but excluding) the date on which the Notes are redeemed, provided that such redemption date is not identical with an Interest Payment Date.]

[shall be effected on the basis of the actual number of days (actual/actual according to ICMA Rule 251).]

The following paragraph shall apply only if* "*Actual/365 (Fixed)*" *is the agreed Day Count Fraction

shall be effected on the basis of a 365 day year and on the basis of the actual number of days elapsed.

The following paragraph shall apply only if "30/360" or "360/360" or "Bond Basis" is the agreed Day Count Fraction

shall be effected on the basis of a 360 day year consisting of 12 months of 30 days each and, in the case of an incomplete month, on the basis of the actual number of days elapsed. If the last day of the calculation period is the 31st day of a month but the first day of the calculation period is a day other than the 30th or the 31st day of a month, the month that includes that last day shall not be considered to be shortened to a 30-day month. If the last day of the calculation period is the last day of the month of February, the month of February shall not be considered to be lengthened to a 30-day month.

The following paragraph shall apply only if* "*30E/360*" *or* "*Eurobond Basis*" *is the agreed Day Count Fraction

shall be effected on the basis of a 360 day year consisting of 12 months of 30 days each and, in the case of an incomplete month, on the basis of the actual number of days elapsed without regard to the date of the first day or last day of the calculation period.

The following paragraph shall apply only if* "*Actual/360*" *is the agreed Day Count Fraction

shall be effected on the basis of a 360 day year and on the basis of the actual number of days elapsed.

The following § 2 shall apply only to Interest Structured Notes

§ 2
(INTEREST)

(1) The Notes bear interest pursuant to the following provisions. The **[interest rate / interest amount]** shall be determined by the Calculation Agent as follows: **[insert applicable provisions, including but not limited to an amount and/or formula(e) and/or additional definitions, if appropriate]**.

[(2) The Calculation Agent shall notify the Issuer, the Paying Agents, the Clearing System and, if so required by its rules, the stock exchange on which the Notes are listed, without undue delay of the interest rate determined with respect to the relevant Interest Period, the amount payable in respect of each Note as well as the respective Interest Payment Date. The Principal Paying Agent shall without undue delay publish [the interest rate] [and] [the interest amount] payable in respect of each Note and the Interest Payment Date in accordance with § 13 hereof.**]**

[insert additional provisions regarding adjustments to interest payable due to market disruptions, settlement disruptions and/or regarding other aspects, if appropriate]

The following § 2 shall apply only to Zero Coupon Notes and other Notes not bearing interest

§ 2
(INTEREST)

The Notes shall not bear any interest.

§ 3
(REDEMPTION)

[The following paragraph (1) shall apply to all Notes other than Reverse Convertible Notes

[(1)**]** The Notes will be redeemed at **[**par (the "**Final Redemption Amount**")**/** the Final Redemption Amount (§ 3 paragraph 2)**]** on **[Redemption Date]** (the "**Redemption Date**").

The following paragraph (2) shall apply to all Notes other than Reverse Convertible Notes where the Final Redemption Amount may be above or below par

(2) **[**Subject to the provisions of § 7 paragraph (•) in case of an adjustment **[**t / T**]]**he "**Final Redemption Amount**" shall be **[insert applicable provisions, including but not limited to an amount and/or formula(e) and/or additional definitions and/or other aspects, if appropriate]**

The Redemption Date and the Valuation Date may be postponed in accordance with § 5 paragraph (4) and § 7 paragraph (•) below.

The following paragraph (1) shall apply only to Reverse Convertible Notes

(1) Subject to § 3 paragraph (2) below, the Notes will be redeemed at par (the "**Final Redemption Amount**") on **[Redemption Date]** (the "**Redemption Date**").

The following paragraph (2) shall apply only to Reverse Convertible Notes with continuous observation of the Underlying

(2) If (i) during the period from and including **[date]** until and including **[date]** (the "**Valuation Date**") the price of the **[underlying]** (the "**Company**") (**[ISIN]**) (the "**Underlying**") **[**at any time (also intraday - continuous observation)**]** on **[exchange]** (the "**Exchange**") has at least once been equal to or below **[Knock-in level]** (the "**Knock-in Level**") and if (ii) on the Valuation Date the **[Price]** of the Underlying as determined and published by the Exchange is less than **[Strike Price]** (the "**Strike Price**"), each Note shall, in lieu of a redemption at par, be redeemed by the delivery of **[No. of Underlying]** (the "**Delivery Amount**").

The Knock-in Level, the Strike Price and/or the Delivery Amount may be adjusted in accordance with § 7 paragraph (•) below, the Valuation Date and the Redemption

Date may be postponed in accordance with § 5 paragraph (4) and § 7 paragraph (•) below.

Fractions of the Underlying will not be delivered. The Issuer will pay, in lieu of a fraction of the Underlying, to the Noteholders an amount in **[currency]** per Note (the "**Fractional Settlement Amount**") which will be calculated **[**by multiplying the fraction of the Underlying with the **[Price]** of the Underlying on the Valuation Date**][•]**. The Noteholders shall not be entitled to a delivery of the Underlying in lieu of several aggregated Fraction Settlement Amounts.

The following paragraph (2) shall apply only to Reverse Convertible Notes without continuous observation of the Underlying

(2) If on **[date]** (the "**Valuation Date**") the **[Price]** of the **[underlying]** (the "**Company**") (**[ISIN]**) (the "**Underlying**") on **[exchange]** (the "**Exchange**") is less than **[Strike Price]** (the "**Strike Price**"), each Note shall, in lieu of a redemption at par, be redeemed by the delivery of **[No. of Underlying]** of the Underlying (the "**Delivery Amount**").

The Strike Price and/or the Delivery Amount may be adjusted in accordance with § 7 paragraph (•) below , the Valuation Date and the Redemption Date may be postponed in accordance with § 5 paragraph (4) and § 7 paragraph (•) below.

Fractions of the Underlying will not be delivered. The Issuer will pay, in lieu of a fraction of the Underlying, to the Noteholders an amount in **[currency]** per Note (the "**Fractional Settlement Amount**") which will be calculated **[**by multiplying the fraction of the Underlying with the **[Price]** of the Underlying on the Valuation Date**][•]**. The Noteholders shall not be entitled to a delivery of the Underlying in lieu of several aggregated Fraction Settlement Amounts.

The following paragraphs (3) and (4) shall apply to all Notes with delivery obligations

[(3)**]** All expenses of transfer of the Delivery Amount on delivery (such as any stamp duty or stock exchange tax or any other tax, duty or charge) shall be borne by the Noteholder.**]**

[(4)**]** The Noteholder will neither be entitled to any payment claim nor to any interest claim or other compensation if delivery is postponed from the stated due date in accordance with § 5 paragraph (4).**]**

[*Alternatively*: Insert applicable provisions including kind of underlying, delivery details and delivery amount regarding underlying which may be delivered and/or other aspects, if applicable.]

The following § 4 shall apply if the tax gross-up clause of § 6 is selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF NOTES)

The following paragraph (1) shall apply to all Notes with respect to which the Issuer does not have a Call Option

(1) Except as provided in **[**§ 7 paragraph **[**(1)***/***(3)**]** and**]** § 6 paragraph (3), the Issuer shall not be entitled to redeem the Notes prior to the Redemption Date.

The following paragraph (1) shall apply to all Notes with respect to which the Issuer has a Call Option

(1) The Issuer shall, in addition to the right to redeem the Notes prior to the Redemption Date in accordance with **[**§ 7 paragraph **[**(1)***/***(3)**]** and**]** § 6 paragraph (3), have the right upon not less than **[number]** days' prior notice to be given by publication in accordance with § 13, to redeem prior to the Redemption Date all, but not less than all, of the outstanding Notes in accordance with the following provisions:
[Insert applicable provisions]

The following paragraph (2) shall apply to all Notes with respect to which the Noteholders do not have a Put Option

(2) Except as provided in § 11, the Noteholders shall not be entitled to call for a redemption of the Notes prior to the Redemption Date.

The following paragraph (2) shall apply to all Notes with respect to which the Noteholders have a Put Option

(2) Each Noteholder shall, in addition to the termination right provided under § 11, be entitled upon not less than **[number]** days' prior written notice to the Principal Paying Agent, to call his Notes for early redemption in accordance with the following provisions:
[insert applicable provisions]

The following paragraph (3) shall apply to all Notes which provide for an early redemption at par plus accrued interest

(3) If the Notes are called for redemption due to **[**the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1) ***/*** (3)**]** or**]** an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed at par plus accrued interest (the "**Early Redemption Amount**").

The following paragraph (3) shall apply to all Zero Coupon Notes

(3) If the Notes are called for redemption due to an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed at the "**Early Redemption Amount**" which shall be determined **[**as the sum of (i) **[•]**% (the

"**Issue Price**") and (ii) the product of the Issue Price and **[•]**% (the "**Amortisation Yield**") (compounded annually) applied to the period from (and including) **[applicable Date]** to (but excluding) the Repayment Date (as defined below) (the "**Accrual Period**")**][•]**.

The calculation of the Early Redemption Amount shall be effected on the basis of the actual number of days in the Accrual Period divided by 365 (or, if any portion of the Accrual Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365).

The Repayment Date within the meaning of this § 4 Paragraph (3) shall be the earlier of the day with respect to which the Notes are called for early redemption or (as the case may be) the day on which early payment is effected.

The following paragraph (3) shall apply to all Notes which provide for an early redemption above or below par and which do <u>not</u> contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Notes are called for redemption due to an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed at the "**Early Redemption Amount**" which shall be determined as follows:
[insert applicable provisions]

The following paragraph (3) shall apply to all Notes which provide for an early redemption above or below par and which contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Notes are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1) / (3)**]** or an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Notes at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Notes will terminate upon the payment of the Early Redemption Amount.

The following paragraph (4) shall apply to all Notes with Automatic Early Redemption

[(4)**]** Notwithstanding any other rights to redeem the Notes prior to the Redemption Date in accordance with these Terms and Conditions, the Notes shall be terminated automatically and redeemed on the Early Redemption Date at the Automatic Early Redemption Amount.

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and Automatic Early Redemption Amount(s) and/or other amount(s) and/or formula(e) and/or additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph shall apply to all Notes

[(5)] The Issuer may at any time purchase Notes in the market or otherwise. Notes repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 4 applies if the tax gross-up clause of § 6 is <u>not</u> selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF NOTES)

The following paragraph (1) shall apply to all Notes with respect to which the Issuer does <u>not</u> have a Call Option

(1) **[**Except as provided in § 7 paragraph **[**(1)**/**(3)**]** , the**][**The**]** Issuer shall not be entitled to redeem the Notes prior to the Redemption Date.

The following paragraph (1) shall apply to all Notes with respect to which the Issuer has a Call Option

(1) The Issuer shall **[**, in addition to the right to redeem the Notes prior to the Redemption Date in accordance with § 7 paragraph **[**(1)**/**(3)**]** ,**]** have the right upon not less than **[number]** days' prior notice to be given by publication in accordance with § 13, to redeem prior to the Redemption Date all, but not less than all, of the outstanding Notes in accordance with the following provisions:
[Insert applicable provisions]

The following paragraph (2) shall apply to all Notes with respect to which the Noteholders do <u>not</u> have a Put Option

(2) Except as provided in § 11, the Noteholders shall not be entitled to call for a redemption of the Notes prior to the Redemption Date.

The following paragraph (2) shall apply to all Notes with respect to which the Noteholders have a Put Option

(2) Each Noteholder shall, in addition to the termination right provided under § 11, be entitled upon not less than **[number]** days' prior written notice to the Principal Paying Agent, to call his Notes for early redemption in accordance with the following provisions:
[insert applicable provisions]

The following paragraph (3) shall apply to all Notes which provide for an early redemption at par plus accrued interest

(3) If the Notes are called for redemption due to **[**the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1)**/**(3)**]** or**]** an event having occurred as described in § 11**[**, as the case may be,**]** they shall be redeemed at par plus accrued interest (the "**Early Redemption Amount**").

The following paragraph (3) shall apply to all Zero Coupon Notes

(3) If the Notes are called for redemption due to an event having occurred as described in § 11 they shall be redeemed at the "**Early Redemption Amount**" which shall be determined **[**as the sum of (i) **[•]**% (the "**Issue Price**") and (ii) the product of the Issue Price and **[•]**% (the "**Amortisation Yield**") (compounded annually) applied to the period from (and including) **[applicable Date]** to (but excluding) the Repayment Date (as defined below) (the "**Accrual Period**")**][•]**.

The calculation of the Early Redemption Amount shall be effected on the basis of the actual number of days in the Accrual Period divided by 365 (or, if any portion of the Accrual Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Accrual Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Accrual Period falling in a non-leap year divided by 365).

The Repayment Date within the meaning of this § 4 Paragraph (3) shall be the earlier of the day with respect to which the Notes are called for early redemption or (as the case may be) the day on which early payment is effected.

The following paragraph (3) shall apply to all Notes which provide for an early redemption above or below par and which do not contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Notes are called for redemption due to an event having occurred as described in § 11 they shall be redeemed at the "**Early Redemption Amount**" which shall be determined as follows:
[insert applicable provisions]

The following paragraph (3) shall apply to all Notes which provide for an early redemption above or below par and which contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Notes are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1)**/**(3)**]** or an event having occurred as described in § 11, as the case may be, they shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Notes at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Notes will terminate upon the payment of the Early Redemption Amount.

The following paragraph (4) shall apply to all Notes with Automatic Early Redemption

[(4)**]** Notwithstanding any other rights to redeem the Notes prior to the Redemption Date in accordance with these Terms and Conditions, the Notes shall be terminated automatically and redeemed on the Early Redemption Date at the Automatic Early Redemption Amount.

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and Automatic Early Redemption Amount(s) and/or other amount(s) and/or formula(e) and/or

additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph (5) shall apply to all Notes

[(5)**]** The Issuer may at any time purchase Notes in the market or otherwise. Notes repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 5 shall apply to all Notes without delivery obligations

§ 5
(PAYMENTS)

The following paragraph (1) shall apply to all Notes (except for dual currency Notes)

(1) The Issuer irrevocably undertakes to pay, as and when due, all amounts payable pursuant to these Terms and Conditions in the Issue Currency.

The following paragraph (1) shall apply only to dual currency Notes

(1) The Issuer irrevocably undertakes to pay, as and when due, all amounts payable pursuant to these Terms and Conditions pursuant to the following provisions: **[insert applicable provisions].**

The following paragraphs (2) – (3) shall apply to all Notes issued through the Swedish CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made to the Noteholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be transmitted by the Clearing System to the Noteholders in accordance with the Swedish CSD Rules. Any payment from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment obligations under the Notes in the amount of such payment.

The following Paragraphs (2) – (3) shall apply to all Notes issued through the Norwegian CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made on the due date to the Noteholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be made by the Norwegian Paying Agent to the Noteholders through the facilities provided by the VPS in accordance with the Norwegian CSD Rules. Any payment in accordance with the Norwegian CSD Rules or pursuant to the VPS's

instructions or pursuant to the VPS's instructions and this provision shall release the Issuer from its payment obligations under the Notes in the amount of such payment.

The following paragraph (2) shall apply to all Notes issued through the Danish CSD

(2) Payments of principal and interest pursuant to these Terms and Conditions will be made to the persons registered as Noteholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment and in accordance with the rules and procedures applied and or issued by VP from time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark.

The following paragraphs (2) – (3) shall apply to all Notes issued through the Finnish CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made to the Noteholders recorded as such on the first Finnish Business Day before the due date for such payment (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.

(3) All payments will be transmitted by the Clearing System to the Noteholders in accordance with the EFi Rules. Any payment from the Issuer in accordance with the EFi Rules shall release the Issuer from its payment obligations under the Notes in the amount of such payment.

The following paragraphs [(4)] shall apply to all Notes

[(4)**]** If any payment with respect to a Note is to be effected on a day other than a Payment Business Day, payment shall be effected on the next following Payment Business Day. In this case, the relevant Noteholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) ***/*** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraphs [(5)] and [(6)] shall apply if the tax gross-up clause of § 6 is selected

[(5)**]** Any reference in these Terms and Conditions to principal in respect of the Notes shall include:

(a) any Additional Amounts which may be payable with respect to principal pursuant to § 6; **[**and**]**

(b) the Final Redemption Amount of the Notes at the Redemption Date; and

(c) the Early Redemption Amount **[**and the Automatic Early Redemption Amount**]** in the case of early redemption of the Notes pursuant to**[** § 4,**]** § 6 paragraph (3)**[**, § 7 paragraph **[**(1) **/** (3)**]]** and § 11.

[(6)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Noteholders in respect of such payments.

The following paragraphs [(5)] and [(6)] shall apply if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** Any reference in these Terms and Conditions to principal in respect of the Notes shall include:

(a) the Final Redemption Amount of the Notes at the Redemption Date and

(b) the Early Redemption Amount **[**and the Automatic Early Redemption Amount**]** in the case of early redemption of the Notes pursuant to**[** § 4**] [**, **][**§ 7 paragraph **[**(1) **/** (3)**]] [**and**]** § 11.

[(6)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(7)] shall apply to all Notes bearing interest

[(7)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, interest or principal not claimed by Noteholders within 12 months after its respective due date, even though the respective Noteholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Noteholders against the Issuer shall cease.

The following paragraph [(7)] shall apply to Zero Coupon Notes and all other Notes not bearing interest

[(7)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, principal not claimed by Noteholders within 12 months after its respective due date, even though the respective Noteholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Noteholders against the Issuer shall cease.

The following § 5 shall apply only to Notes with delivery obligations

§ 5
(PAYMENTS; DELIVERY OF [THE UNDERLYING] [•])

[(1) The Issuer irrevocably undertakes to pay in the Issue Currency, as and when due, all amounts payable and/or to deliver, as and when due, the Delivery Amount pursuant to these Terms and Conditions.

The following paragraphs (2) – (3) shall apply to all Notes issued through the Swedish CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made to the Noteholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be transmitted by the Clearing System to the Noteholders in accordance with the Swedish CSD Rules. Any payment or delivery from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment or delivery obligations under the Notes in the amount of such payment or in the number of **[**such Underlying**][•]** deliverable.

The following paragraphs (2) – (3) shall apply to all Notes issued through the Norwegian CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made on the due date to the Noteholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be made by the Norwegian Paying Agent to the Noteholders through the facilities provided by the VPS in accordance with the Norwegian CSD Rules. Any payment or delivery in accordance with the Norwegian CSD Rules and this provision shall release the Issuer from its payment or delivery obligations under the Notes in the amount of such payment or in the number of **[**such Underlying**][•]** deliverable.

The following paragraph (2) shall apply to all Notes issued through the Danish CSD

(2) Payment and delivery obligations pursuant to these Terms and Conditions will be made to the persons registered as Noteholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment or delivery and in accordance with the rules and procedures applied and or issued by VP from time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark.

The following paragraphs (2) – (3) shall apply to all Notes issued through the Finnish CSD

(2) Payments and delivery obligations under these Terms and Conditions shall be made to the Noteholders recorded as such on the first Finnish Business Day before the due date for such payment or delivery (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.

(3) All payments and deliveries will be transmitted by the Clearing System to the Noteholders in accordance with the EFi Rules. Any payment or delivery from the Issuer in accordance with the EFi Rules shall release the Issuer from its delivery obligations under the Notes in the number of such Underlying deliverable.

The following paragraphs [(4)] shall apply to all Notes

[(4)**]** If any payment of principal **[**or interest**]** and/or any delivery with respect to a Note is to be effected on a day other than a Payment Business Day, payment and/or delivery shall be effected on the next following Payment Business Day. In this case, the relevant Noteholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) **/** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraphs [(5)] and [(6)] shall apply if the tax gross-up clause of § 6 is selected

[(5)**]** Any reference in these Terms and Conditions to principal in respect of the Notes shall include:

(a) any Additional Amounts which may be payable with respect to principal pursuant to § 6; **[**and**]**

(b) the Final Redemption Amount of the Notes at the Redemption Date and

(c) the Early Redemption Amount **[**and the Automatic Early Redemption Amount**]** in the case of early redemption of the Notes pursuant to**[** § 4,**]** § 6 paragraph (3)**[**, § 7 paragraph **[**(1) **/** (3)**]]** and § 11.

[(6)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Noteholders in respect of such payments and/or deliveries.

The following paragraphs [(5)] and [(6)] shall apply if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** Any reference in these Terms and Conditions to principal in respect of the Notes shall include:

(a) the Final Redemption Amount of the Notes at the Redemption Date; and

(b) the Early Redemption Amount **[**and the Automatic Early Redemption Amount**]** in the case of early redemption of the Notes pursuant to**[**§ 4**]** **[**, **][**§ 7 paragraph **[**(1) **/** (3)**]]** **[**and**]** § 11.

[(6)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(7)] shall apply to all Notes with delivery obligations

[(7)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, any amounts payable and/or any deliveries not claimed by Noteholders within 12 months after its respective due date, even though the respective Noteholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Noteholders against the Issuer shall cease.**]**
[*Alternatively*: Insert applicable provisions]

§ 6
(TAXES)

The following paragraph shall apply only to Notes with respect to which the Noteholder has to pay taxes, fees or other duties (Noteholder tax responsibility clause)

All present and future taxes, fees or other duties in connection with the Notes shall be borne and paid by the Noteholders. The Issuer is entitled to withhold from payments to be made under the Notes any taxes, fees and/or duties payable by the Noteholder in accordance with the previous sentence.

The following paragraphs shall apply only to Notes with respect to which the Noteholder does not have to pay taxes, fees or other duties under certain circumstances (tax gross-up clause)

(1) All amounts payable under the Notes will be paid without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein, unless the Issuer is compelled by a law or other regulation to deduct or withhold such taxes, duties or governmental charges. In that event the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts, after such deduction or withholding, shall equal the amounts that would have been payable if no such deduction or withholding had been made.

(2) No Additional Amounts shall be payable pursuant to paragraph (1) with respect to taxes, duties or governmental charges

(a) for which a Noteholder is liable because of a connection with the Federal Republic of Germany or another **[**member state of the European Union**][**state that is part of the European Economic Area**]** other than the mere fact of his being the holder of the Notes;

(b) to which the Noteholder would not be subject if he had presented his Notes for payment within 30 days from the due date for payment, or, if the necessary funds were not provided to the Principal Paying Agent or any other Paying Agent appointed pursuant to § 10 when due, within 30 days from the date on which such funds are provided to the Paying Agents and a notice to that effect has been published in accordance with § 13;

(c) which would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a credit institution;

(d) which are deducted or withheld by a Paying Agent, if the payment could have been made by another Paying Agent without such deduction or withholding;

(e) which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or another member state of the European Union or the European Union is party, or (iii) any provision of law implementing or complying with, or introduced to conform with, such Directive, regulation, treaty or understanding;

(f) which are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it;

(g) which are deducted or withheld, even if the deduction or withholding has to be made by the Issuer or its representative, pursuant to the provisions of the definitive flat tax regime (*Abgeltungsteuer*) according to German tax law on certain investment income as from January 1, 2009; or

(h) which are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § 13.

(3) If at any future time as a result of a change of the laws applicable in the Federal Republic of Germany or a change in their official application, the Issuer is required, or at the time of the next succeeding payment due will be required, to pay Additional Amounts as provided in § 6 paragraph (1) the Issuer will be entitled, upon not less than 30 days' and not more than 60 days' notice to be given by publication in accordance with § 13, prior to the Redemption Date to redeem all Notes at the Early Redemption Amount. No redemption pursuant to this § 6 paragraph (3) shall be made more than 30 days prior to the date on which such change of the laws or their official application becomes applicable to the Notes for the first time.

The following § 7 shall apply to all Notes with reference to a share and shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION[; SETTLEMENT DISRUPTION][•])

(1) If in the opinion of the Calculation Agent (§ 10) an Adjustment Event or an Extraordinary Event (both as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If in the opinion of the Calculation Agent an Extraordinary Event has occurred, the Issuer is entitled, but not obligated, to (instead of an adjustment) terminate and redeem the Notes prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13.

(2) In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Related Exchange (as defined below). In the event that options or futures contracts relating to the Underlying are not traded on the Related Exchange, the Issuer is entitled, but not obligated, to take into consideration the manner in which adjustments would be made by the Related Exchange if such options or futures contracts were traded on the Related Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Related Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code).

(3) Any of the before-mentioned adjustments may, among others, relate to **[parameters]** and may result in the Underlying being replaced by other securities, a basket of securities and/or cash, and another stock exchange being determined as the Exchange. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(4) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Related Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Related Exchange if such options or futures contracts were traded on the Related Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date **/ insert other valuation time]** the **[Price]** of the Underlying is not determined and published by the Exchange, or if on the **[**the Valuation Date / **insert other valuation time]**, in the opinion of the Calculation Agent, a Market Disruption Event with respect to the Underlying occurs, then the next following calendar day on which the **[Price]** is again determined and published by the Exchange and on which there is no Market Disruption Event with respect to the Underlying will be deemed to be the **[**the Valuation Date / **insert other valuation time]**.

If according to the before-mentioned provisions the **[**the Valuation Date / **insert other valuation time]** is postponed until the second Exchange Business Day prior to the Redemption Date and if on such date the **[Price]** of the Underlying is still not determined and published by the Exchange or if a Market Disruption Event occurs or is continuing on such date, such date prior to the Redemption Date shall be deemed to be the relevant **[**the Valuation Date / **insert other valuation time]**, and the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code) and in consideration of the prevailing market conditions, estimate the **[Price]** of the Underlying on such date and make a notification in accordance with § 13.

The following paragraph (6) shall apply to all Notes with delivery obligations

[(6)**]** **[**If the Issuer is required to deliver the Delivery Amount and if, in the opinion of the Calculation Agent, a Settlement Disruption Event occurs or is continuing on the Redemption Date, then the delivery of the Delivery Amount shall be postponed to the first following Exchange Business Day on which there is no Settlement Disruption Event (the "**Postponed Settlement Date**"). In no event shall the Postponed Settlement Date be later than the fifth Exchange Business Day following the

Redemption Date. If the Settlement Disruption Event is continuing on the fourth Exchange Business Day following the Redemption Date, then (i) the Postponed Settlement Date shall be the fifth Exchange Business Day following the Redemption Date and (ii) the Issuer shall have the right to pay a cash equivalent redemption amount (the "**Cash Equivalent Redemption Amount**"), in lieu of the delivery of the Delivery Amount, to the Noteholder. In the event of a payment of a Cash Equivalent Redemption Amount § 5 paragraph 4 of these Terms and Conditions shall apply *mutatis mutandis*. This Cash Equivalent Redemption Amount will be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code).

All determinations made by the Issuer and/or the Calculation Agent pursuant to this paragraph shall be notified to the Noteholder in accordance with § 13. The Noteholder will not be entitled to any compensation from the Issuer for any loss suffered as a result of the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

The following paragraphs shall apply to all Notes with reference to a share or shares

[(7)**]** For the purposes of this § 7 the following definitions shall apply:

"**Adjustment Event**" means:

(a) any of the following actions taken by the Company: capital increases through issuance of new shares against capital contribution and issuance of subscription rights to the shareholders, capital increases out of the Company's reserves, issuance of securities with option or conversion rights related to the Underlying, distributions of extraordinary dividends, stock splits or any other split, consolidation or alteration of category (as long as this does not constitute a merger);

(b) a spin-off of a part of the Company in such a way that a new independent entity is formed, or that the spun-off part of the Company is absorbed by another entity;

(c) the adjustment of options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such adjustment; or

(d) any other adjustment event being economically comparable to the before-mentioned events with regard to their effects.

"**Extraordinary Event**" means any of the following events:

(a) a takeover-bid, i.e. an offer to take over or to swap or any other offer or any other act of an individual person or a legal entity that results in the individual person or legal entity buying, otherwise acquiring or obtaining a right to buy more than 10% of the outstanding shares of the Company as a consequence of a conversion or otherwise, as determined by the Issuer based on notifications to the competent authorities or on other information determined as relevant by the Issuer;

(b) the termination of trading in, or early settlement of, options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such termination or early settlement;

(c) the becoming known of the intention of the Company or of the Exchange to terminate the listing of the Underlying on the Exchange due to a merger by absorption or by creation, a change of legal form into a company without shares or any other reason;

(d) the termination of the listing of the Underlying at the Exchange or the announcement of the Exchange that the listing of the Underlying at the Exchange will terminate immediately or at a later date and that the Underlying will not be admitted, traded or listed at any other exchange, trading system or quotation system immediately following the termination of the listing;

(e) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Notes or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

(f) a procedure is introduced or ongoing pursuant to which all shares or the substantial assets of the Company are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;

(g) the application for insolvency proceedings or for comparable proceedings with regard to the assets of the Company according to the applicable law of the Company; or

(h) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Market Disruption Event**" means any material occurrence or existence of any suspension of, or limitation imposed on, trading (by reason of movements in price exceeding the limits permitted by the Exchange or otherwise) in (a) the Underlying on the Exchange, or (b) any options contracts or futures contracts relating to the Underlying on the Related Exchange.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

["**Related Exchange**" means •]

["**Settlement Disruption Event**" means an event, **[**(a)**]** which, in the opinion of the Calculation Agent, is beyond the control of the Issuer and as a result of which the Issuer cannot deliver or cannot procure the delivery of the Delivery Amount **[**or, (b) if it is impossible to deliver the Delivery Amount to the Noteholders under the applicable **[insert applicable CSD Rules]** irrespective of when such rules have been introduced**].]]** **[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Notes.]**

The following § 7 shall apply to Notes with reference to an index consisting of shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If the Index is no longer calculated and published by the Index Sponsor but by another person, company or institution acceptable to the Issuer as the new Index Sponsor (the "**Successor Sponsor**"), the redemption of the Notes will be determined on the basis of the Index being calculated and published by the Successor Sponsor and any reference made to the Index Sponsor shall, if the context so admits, then refer to the Successor Sponsor.

(2) If at any time the Index is cancelled or replaced, the Calculation Agent (§ 10) will determine another index on the basis of which the redemption of the Notes will be determined (the "**Successor Index**"). The respective Successor Index as well as the time of its first application will be notified as soon as possible pursuant to § 13. Any reference made to the Index in these Terms and Conditions shall, if the context so admits, then refer to the Successor Index.

(3) If in the opinion of the Calculation Agent (i) the determination of a Successor Index in accordance with the above paragraph is not possible or (ii) if the Index Sponsor materially modifies the calculation method of an Index with effect on or before the **[**the Valuation Date / **insert other valuation time]**, or materially modifies the Index in any other way (except for modifications which are contemplated in the calculation method of the Index relating to a change with respect to securities comprising the Index or with respect to any other routine measures) (each of such events an "**Extraordinary Event**"), then the Issuer is entitled to (a) continue (itself or through an independent expert determined by the Issuer) the calculation of the Index on the basis of the former concept of the Index and its last determined level or (b) to (instead of a continuation of the calculation of the Index) terminate and redeem the Notes prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13.

(4) Adjustments take effect as from the date determined by the Issuer. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date / **insert other valuation time]** a **[Price]**of the Index is not determined and published or if in the opinion of the Calculation Agent there is a Market Disruption Event with regard to the Index on **[**the Valuation Date / **insert other valuation time]**, then **[**the Valuation Date / **insert other valuation time]** shall be postponed to the next calendar day on which the **[Price]**of the Index is again determined and published and on which there is no Market Disruption Event.

If according to the provisions above **[**the Valuation Date / **insert other valuation time]** is postponed until the second [Exchange] [•] Business Day prior to the Redemption Date and if on this day the **[Price]**of the Index is still not determined and published or if, in the opinion of the Calculation Agent, a Market Disruption Event occurs with regard to the Index, then the Calculation Agent will calculate the Index on such date by applying the calculation method for the Index last in effect.

For the purpose of such calculation, the Calculation Agent will calculate the closing level of the Index on the basis of the prices of the securities comprising the Index on such day at the time the **[Price]**of the Index is usually determined (the "**Calculation Time**"). If the trading of one or more securities being relevant for such calculation is limited or suspended on such date, the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code (BGB)) and in consideration of the prevailing market conditions, estimate the price of the relevant securities at the Calculation Time and make a notification in accordance with § 13.

[(6)] **[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Notes.]**

The following § 7 shall apply to Notes with reference to a commodity or commodities

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If in the opinion of the Calculation Agent (§ 10) an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to either (i) make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter, or (ii) to (instead of an adjustment) terminate and redeem the Notes prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13. In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code). Any of the before-mentioned adjustments may, among others, relate to **[**the Strike Price, the Multplier etc.**] [other parameters]** and may result in the Futures Contract being replaced by other futures contracts, a basket of futures contracts and/or cash, and another exchange being determined as the Exchange.

However, the Issuer is not obligated to make an adjustment and it is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(2) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(3) If on the Valuation Date in the opinion of the Calculation Agent a **[Price]** of the Futures Contract is not determined and published or if a Trading Disruption with respect to the Futures Contract occurs, then the next following calendar day on which a **[Price]** of the Futures Contract is again determined and published and on which a Trading Disruption does not occur will be deemed to be the Valuation Date for the Futures Contract.

(4) If according to the before-mentioned provisions the Valuation Date is postponed until the second Exchange Business Day prior to the Redemption Date and if on such date a **[Price]** of the Futures Contract is still not determined and published or if a Trading Disruption occurs or is continuing on such date, such second Exchange Business Day prior to the Redemption Date shall be deemed to be the relevant Valuation Date, and the Calculation Agent will, in its reasonable discretion (§ 315 German Civil Code (BGB)) and in consideration of the prevailing market conditions, estimate the **[Price]** of the Futures Contract on such day and make a notification in accordance with § 13.

(5) For the purposes of this § 7 the following definitions shall apply:

"**Disappereance of Reference Price**" means (A) the permanent discontinuation of trading, in the Futures Contract on the Exchange; (B) the disappearance of, or of trading in, the Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a **[Price]**, notwithstanding the availability of the Price Source or the status of trading in the Futures Contract or the Commodity.

"**Extraordinary Event**" means the occurrence of any of the following events:

(a) Price Source Disruption; or

(b) Trading Disruption; or

(c) Disappearance of Reference Price; or

(d) Material Change in Content; or

(e) Tax Disruption; or

(f) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Material Change in Content**" means the occurrence of a material change in the content, composition or constitution of the Commodity or the Futures Contract.

"**Price Source Disruption**" means (A) the failure of the Price Source to announce or publish the relevant **[Price]** (or the information necessary for determining the **[Price]**); or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Tax Disruption**" means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, a Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the **[Price]**.

"**Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange. For these purposes:

(A) a suspension of the trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if:

(1) all trading in the Futures Contract or the Commodity is suspended for the entire Exchange Business Day; or

(2) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Exchange Business Day, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Exchange Business Day and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if the Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity oh such day is at the upper or lower limit of that range.]

[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Notes.]

The following § 7 shall apply to Notes with reference to other underlyings

[§ 7
([ADJUSTMENTS][; MARKET DISRUPTION] [•])

Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Notes

§ 8
(PRESCRIPTION)

The following paragraph shall apply to all Notes

The prescription period for claims against the Issuer for the payment of principal shall be ten (10) years and for the payment of interest shall be three (3) years from the due date for such payment.

The following paragraph shall be added to Notes issued through the Danish CSD

Claims against the Issuer for the payment of principal and interest payable in respect of such Notes shall in accordance with Section 73 of the Danish Securities Trading Act be time-barred unless made within ten (10) years (in the case of principal) and three (3) years (in the case of interest) after the due date therefore and thereafter any principal or interest payable in respect of such Notes shall be forfeited and revert to the Issuer.

§ 9
(STATUS)

The obligations under the Notes constitute direct, unconditional and unsecured obligations of the Issuer and rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

§ 10
(AGENTS)

The following paragraph (1) shall apply to all Notes

(1) **[**Commerzbank Aktiengesellschaft **[address]] [other bank]]** shall be the "**Principal Paying Agent**"**[**.**]**

The following paragraph shall be added to paragraph (1) in relation to Notes issued through the Norwegian CSD or Finnish CSD

and **[insert details of Norwegian Paying Agent that is an authorised VPS account operator / details of Finnish Paying Agent]** shall be appointed as the **[**"**Norwegian Paying Agent**" **/** "**Finnish Paying Agent**"**]**.

The following paragraph shall be added to paragraph (1) in relation to Notes issued through the Swedish CSD

and **[insert details of Swedish Issuing and Paying Agent]** shall be appointed as the **[**"**Issuing and Paying Agent**"**]**.

The following paragraph shall be added to paragraph (1) in relation to Notes which are <u>not</u> listed on a stock exchange requiring a local Paying Agent other than Notes issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent.

The following paragraph shall be added to paragraph (1) in relation to Notes which are listed on a stock exchange requiring a local Paying Agent other than Notes issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Notes are listed on the **[exchange]** there will at all times be a Paying Agent in **[city].**

The following paragraph shall be added to paragraph (1) in relation to Notes which are issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Notes are issued through the Clearing System there will at all times be a Paying Agent in [Helsinki,] Finland.

The following paragraph shall be added to paragraph (1) in relation to Notes with respect to which an additional Paying Agent has <u>not</u> been appointed

The Issuer is entitled to appoint other banks of international standing as additional paying agents (each, a "**Paying Agent**"; the Principal Paying Agent **[**the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any additional Paying Agent together the "**Paying Agents**"). Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent **[**as well as of individual Paying Agents**]**. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent **[**or Paying Agent**]**, the Issuer shall appoint another bank of international standing as Principal Paying Agent **[**or Paying Agent, as the case may be**]**. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraph shall be added to paragraph (1) in relation to Notes with respect to which an additional Paying Agent has been appointed

[Commerzbank International S.A. **[address] / [**and**] [other bank(s)]]** shall be appointed as additional Paying Agent**[**s**]** (**[**each, a**] [**the**]** "**Paying Agent**"; the Principal Paying Agent **[**, the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any Paying Agent together the "**Paying Agents**"). The Issuer is entitled to appoint other banks of international standing as additional paying agents. Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent as well as of individual Paying Agents. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent or Paying Agent, the Issuer shall appoint another bank of international standing as Principal Paying Agent or Paying Agent, as the case may be. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraphs (2) and (3) shall apply only to Notes which are not issued through the Danish CSD and in relation to which a Calculation Agent has <u>not</u> been appointed

(2) **[**The Principal Paying Agent **/** Each Paying Agent**]** shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, it fails to act with the diligence of a conscientious businessman. All determinations and calculations made by **[**the Principal Paying Agent **/** any Paying Agent**]** shall be made in conjunction with the Issuer.

(3) **[**The Principal Paying Agent **/** Each Paying Agent**]** acting in such capacity, acts only as agent of the Issuer. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**]** and the Noteholders. The **[**Principal Paying Agent **/** Paying Agents**] [**is / are**]** hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

The following paragraphs (2) – (4) shall apply only to Notes which are not issued through the Danish CSD and in relation to which a Calculation Agent has been appointed

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as **[**interest rates have to be determined or other**]** determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent acting in such capacity, act only as agents of the Issuer. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent on the one hand and the Noteholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

The following paragraphs (2) – (4) shall apply only to Notes which are issued through the Danish CSD and in relation to which a Calculation Agent has <u>not</u> been appointed

(2) **[**The Principal Paying Agent **/** Each Paying Agent**]** shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, it fails to act with the diligence of a conscientious businessman. All determinations and calculations made by **[**the Principal Paying Agent **/** any Paying Agent**]** shall be made in conjunction with the Issuer.

(3) The Issuer will in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time, appoint (i) VP as the central securities depository, and (ii) **[insert details of Danish issuing agent]** as the "**Issuing Agent**".

The Issuer is entitled to vary or terminate the appointment of VP or the Issuing Agent, provided that the Issuer shall appoint another central securities depository or Issuing Agent, each of them to be duly authorised under the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The appointment of another central securities depository or

Issuing Agent shall be published without undue delay by the Issuer in accordance with § 13.

(4) **[**The Principal Paying Agent **/** Each Paying Agent**]** acting in such capacity, the central securities depository and the Issuing Agent act only as agent of the Issuer and do not assume any obligations to any Noteholder. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**]**, the central securities depository and the Issuing Agent on the one hand and the Noteholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** **[**is **/** are**]** hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

The following paragraphs (2) – (5) shall apply only to Notes which are issued through the Danish CSD and in relation to which a Calculation Agent has been appointed

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as **[**interest rates have to be determined or other**]** determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The Issuer will in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time, appoint (i) VP as the central securities depository, and (ii) **[insert details of Danish issuing agent]** as the "**Issuing Agent**".

The Issuer is entitled to vary or terminate the appointment of VP or the Issuing Agent, provided that the Issuer shall appoint another central securities depository or Issuing Agent, each of them to be duly authorised under the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The appointment of another central securities depository or Issuing Agent shall be published without undue delay by the Issuer in accordance with § 13.

(5) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent, acting each in such capacity, and the central securities depository and the Issuing Agent act only as agents of the Issuer and do not assume any obligations to any Noteholder. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**],** the Calculation Agent, the central securities depository and the Issuing Agent on the one hand and the Noteholders on the other hand. The **[**Principal Paying Agent **/**

Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

§ 11
(TERMINATION)

(1) Each Noteholder is entitled to declare his Notes due and to require the redemption of his Notes at the Early Redemption Amount pursuant to § 4 paragraph (3) as provided hereinafter, if:

The following paragraph (a) shall apply to all Notes bearing interest

(a) the Issuer is in default for more than 30 days with respect to the payment of principal or interest **[to be added in the event of Notes with delivery obligations:** and/or the delivery**]** due under these Terms and Conditions;

The following paragraph (a) shall apply to Zero Coupon Notes and all other Notes not bearing interest

(a) the Issuer is in default for more than 30 days with respect to the payment of principal **[to be added in the event of Notes with delivery obligations:** and/or the delivery**]** due under these Terms and Conditions;

The following paragraphs shall apply to all Notes

(b) the Issuer violates any other obligation under these Terms and Conditions, and such violation continues for 60 days after receipt of written notice thereof from the respective Noteholder;

(c) the Issuer is wound up or dissolved whether by a resolution of the shareholders or otherwise (except in connection with a merger or reorganisation in such a way that all of the assets and liabilities of the Issuer pass to another legal person in universal succession by operation of law);

(d) the Issuer ceases its payments and this continues for 60 days, or admits to be unable to pay its debts;

(e) any insolvency proceedings are instituted against the Issuer which shall not have been dismissed or stayed within 60 days after their institution or the Issuer applies for the institution of such proceedings, or offers or makes an arrangement for the benefit of its creditors or the Federal Financial Supervisory Authority (BaFin) opens insolvency proceedings against the Issuer; or

(f) in the case of a substitution of the Issuer within the meaning of § 12 paragraph (4)(b) any of the events set forth in sub-paragraphs (c)-(e) above occurs in respect of the Guarantor.

The right to declare Notes due shall terminate if the circumstances giving rise to it have been remedied before such right is exercised.

(2) The right to declare Notes due pursuant to paragraph (1) shall be exercised by a Noteholder by delivering or sending by registered mail to the Principal Paying Agent a

written notice which shall state the principal amount of the Notes called for redemption and shall enclose evidence of ownership reasonably satisfactory to the Principal Paying Agent.

The following § 12 shall apply to all Notes containing a substitution of Issuer clause

§ 12
(SUBSTITUTION OF ISSUER, BRANCH DESIGNATION)

(1) Any other company may assume at any time during the life of the Notes, subject to § 12 paragraph (4), without the Noteholders' consent upon notice by the Issuer given through publication in accordance with § 13, all the obligations of the Issuer under these Terms and Conditions.

(2) Upon any such substitution, such substitute company (hereinafter called the "**New Issuer**") shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under these Terms and Conditions with the same effect as if the New Issuer had been named as the Issuer herein; the Issuer (and, in the case of a repeated application of this § 12, each previous New Issuer) shall be released from its obligations hereunder and from its liability as obligor under the Notes .

(3) In the event of such substitution, any reference in these Terms and Conditions (except for this § 12) to the "**Issuer**" shall from then on be deemed to refer to the New Issuer and any reference to the country of the corporate seat of the Issuer which is to be substituted (except for the references in § 15 to the Federal Republic of Germany) shall be deemed to refer to the country of the corporate seat of the New Issuer and the country under the laws of which it is organised.

(4) No such substitution shall be permitted unless

(a) the New Issuer has agreed to indemnify and hold harmless each Noteholder against any tax, duty, assessment or governmental charge imposed on such Noteholder in respect of such substitution;

(b) the Issuer (in this capacity referred to as the "**Guarantor**") has unconditionally and irrevocably guaranteed to the Noteholders compliance by the New Issuer with all payment **[**and delivery**]** obligations assumed by it under guarantee terms usually given by the Guarantor with respect to note issues by any of its finance companies and the text of this guarantee has been published in accordance with § 13; **[**and**]**

(c) the New Issuer and the Guarantor have obtained all governmental authorisations, approvals, consents and permissions necessary in the jurisdictions in which the Guarantor and/or the New Issuer are domiciled or the country under the laws of which they are organised **[other applicable provisions]**.

The following paragraph (d) shall apply to all Notes issued through the Swedish and Norwegian CSD

(d) **[**Euroclear Sweden **/** VPS**]** has given its consent to the substitution (which consent shall not be unreasonably withheld or delayed).

The following paragraphs (5) and (6) shall apply to all Notes

(5) Upon any substitution of the Issuer for a New Issuer, this § 12 shall apply again.

(6) The Issuer may at any time, designate by publication in accordance with § 13 any branch (*Betriebsstätte*) of the Issuer outside the Federal Republic of Germany as the branch (*Betriebsstätte*) primarily responsible for the due and punctual payment in respect of the Notes then outstanding and the performance of all of the Issuer's other obligations under the Notes then outstanding.

Paragraphs (4)(c), (d) and (5) of this § 12 shall apply *mutatis mutandis* to such designation.

The following § 12 shall apply to all Notes which <u>not</u> contain a substitution of Issuer clause

§ 12
(THIS CLAUSE HAS BEEN LEFT BLANK INTENTIONALLY)

§ 13
(NOTICES)

The following paragraph shall apply only to Notes which are listed on a stock exchange or offered to the public

Notices relating to the Notes shall be **[**published**] [●] [**in the electronic federal gazette (*elektronischer Bundesanzeiger*)**] [●] [**and, to the extent legally required,**] [**in a mandatory newspaper designated by a German stock exchange (*Börsenpflichtblatt*)**] [**in a leading daily newspaper of nation-wide circulation in **[country in which the admission to trading is sought]] [**on the website of **[**the stock exchange on which the Notes are listed**] [**the Issuer**] [**or**]**

The following paragraph shall be added in relation to Notes issued through the Swedish CSD

[sent (i) to the Noteholder through the facilities in the Clearing System according to the Swedish CSD Rules, or (ii) to the Noteholder at the addresses registered in the Clearing System in accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Noteholders through the facilities in theClearing System, or (ii) upon receipt after they has been sent to the Noteholders at the addresses registered in the Clearing System.**] [**in accordance with the rules of the country in which the Notes are listed**] [insert other applicable provisions]**.

The following paragraph shall be added in relation to Notes issued through the Norwegian CSD

[sent by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Noteholders or directly to the Noteholders, provided this complies with the rules of the stock exchange on which the Notes are listed. Notices to the Clearing System shall be deemed to be effected seven days after the notification to the Clearing System, direct notices to the Noteholders shall be deemed to be effected upon their receipt.**] [**in accordance with the rules of the country in which the Notes are listed**] [insert other applicable provisions]**.

The following paragraph shall be added in relation to Notes issued through the Danish CSD

[sent (i) to the Noteholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Noteholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**] [**in accordance with the rules of the country in which the Notes are listed**] [insert other applicable provisions]**.

The following paragraph shall be added in relation to Notes issued through the Finnish CSD

[(i) published as a stock exchange release through OMX Nordic Exchange Helsinki Ltd or (ii) sent by mail to each Noteholder to the address registered for such Noteholder in the Clearing System. If published as a stock exchange release, any such notice shall be deemed to have been given on the date of such publication (if published more than once or on different dates, on the date of the first publication) or, if sent by mail to the Noteholders, on the seventh day following the day the notice was sent by mail.**] [**in accordance with the rules of the country in which the Notes are listed**] [insert other applicable provisions]**.

The following paragraph shall apply only to Notes which are neither listed on a stock exchange nor offered to the public

Notices relating to the Notes shall be sent

The following paragraph shall apply to all Notes issued through the Swedish CSD

[(i) to the Noteholder through the facilities in the Clearing Systemaccording to the Swedish CSD Rules, (ii) to the Noteholder at the addresses registered in the Clearing Systemin accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Noteholders through the facilities in the Clearing System, or (ii) upon receipt after they has been sent to the Noteholders at the addresses registered in the Clearing System.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Notes issued through the Norwegian CSD

[by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Noteholders or directly to the Noteholders. Notices via the Clearing System shall be deemed to be effected seven days after the notice to the Clearing System, direct notices to the Noteholders shall be deemed to be effected upon their receipt.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Notes issued through the Danish CSD

[(i) to the Noteholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Noteholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Notes issued through the Finnish CSD

[by mail to each Noteholder to the address registered for such Noteholder in the Clearing System. Any such notice shall be deemed to have been given on the seventh day following the day the notice was sent by mail.**] [insert other applicable provisions]**

§ 14
(FINAL CLAUSES)

The following paragraph (1) shall apply to all Notes in relation to which a Calculation Agent has <u>not</u> been appointed.

(1) The Notes and the rights and duties of the Noteholders, the Issuer and the Paying Agents shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph (2) to (4) of the Terms and Conditions which shall be governed by the laws of **[**the Kingdom of Sweden**] [**the Kingdom of Norway**] [**the Kingdom of Denmark**] [**the Republic of Finland**]**.

The following sentence shall be added to Paragraph (1) for all Notes issued through the Danish CSD

Notes issued through VP must comply with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time and as amended from time to time

The following paragraph (1) shall apply only to all Notes in relation to which a Calculation Agent has been appointed

(1) The Notes and the rights and duties of the Noteholders, the Issuer, the Calculation Agent and the Paying Agents shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph (2) to (4) of the Terms and Conditions which shall be governed by the laws of **[**the Kingdom of Sweden**] [**the Kingdom of Norway**] [**the Kingdom of Denmark**] [**the Republic of Finland**]**.

The following sentence shall be added to Paragraph (1) for all Notes issued through the Danish CSD

Notes issued through VP must comply with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time and as amended from time to time

The following paragraphs (2) – (9) shall apply to all Notes

(2) In the event of manifest typing or calculation errors or similar manifest errors in the Terms and Conditions, the Issuer shall be entitled to declare rescission (*Anfechtung*) to the Noteholders. The declaration of rescission shall be made without undue delay upon becoming aware of any such ground for rescission (Anfechtungsgrund) and in accordance with § 13. Following a declaration of rescission by the Issuer, the Noteholder is entitled to request repayment of the Issue Price by delivery of a duly

completed redemption notice to the Principal Paying Agent on the form available at the Principal Paying Agent or by providing all information and statements requested therein (the "**Redemption Notice**") and by transfer of the Notes to the account of the Principal Paying Agent with the Clearing System. The Issuer shall make available the Issue Price to the Principal Paying Agent within [number] calendar days following receipt of the Redemption Notice and of the Notes by the Principal Paying Agent, whichever receipt is later, whereupon the Principal Paying Agent shall transfer the Issue Price to the account specified in the Redemption Notice. Upon payment of the Issue Price all rights under the Notes delivered shall expire.

(3) The Issuer may combine the declaration of rescission pursuant to paragraph (2) with an offer to continue the Notes on the basis of corrected Terms and Conditions. Such an offer and the corrected provisions shall be notified to the Noteholders together with the declaration of rescission in accordance with § 13. Any such offer shall be deemed to be accepted by a Noteholder (and the rescission shall not take effect), unless the Noteholder requests repayment of the Issue Price within four weeks following the date on which the offer has become effective in accordance with § 13 by delivery of a duly completed Redemption Notice to the Principal Paying Agent and by transfer of the Notes to the account of the Principal Paying Agent with the Clearing System pursuant to paragraph 2. The Issuer shall refer to this effect in the notification.

(4) "**Issue Price**" within the meaning of paragraphs (2) and (3) shall be the actual purchase price paid at the time of the first purchase of the Notes delivered for repayment [, or (if no purchase price for the first purchase of the Notes can be determined) the issue price as set forth in the applicable Final Terms relating to the Base Prospectus dated [date]].

(5) Contradictory or incomplete provisions in the Terms and Conditions may be corrected or amended, as the case may be, by the Issuer in its reasonable discretion (§ 315 of the German Civil Code). The Issuer, however, shall only be entitled to make such corrections or amendments which are reasonably acceptable to the Noteholders having regard to the interests of the Issuer and in particular which do not materially adversely affect the legal or financial situation of the Noteholders. Notice of any such correction or amendment shall be given to the Noteholders in accordance with § 13.

(6) If the Noteholder was aware of typing or calculation errors or similar errors at the time of the acquisition of the Notes, then, notwithstanding paragraphs (2) - (5), the Noteholders can be bound by the Issuer to the corrected Terms and Conditions.

(7) Should any provision of these Terms and Conditions be or become void in whole or in part, the other provisions shall remain in force. The void provision shall be replaced by a valid provision that reflects the economic intent of the void provision as closely as possible in legal terms. In those cases, however, the Issuer may also take the steps described in paragraphs (2) to (5) above.

(8) Place of performance is Frankfurt am Main.

(9) Place of jurisdiction **[**shall be Frankfurt am Main, Federal Republic of Germany**]** **[**other location**]** **[**for all disputes and other proceedings in connection with the Notes for merchants, entities of public law, special funds under public law and entities without a place of general jurisdiction in the Federal Republic of Germany is Frankfurt am Main. In such a case, the place of jurisdiction in Frankfurt am Main shall be an exclusive place of jurisdiction**]**.

(10) The English version of these Terms and Conditions shall be binding. Any translation is for convenience only.

TERMS AND CONDITIONS SET 2 (CERTIFICATES WITH FIXED REDEMPTION DATE)

PROGRAMME TERMS AND CONDITIONS OF CERTIFICATES WITH FIXED REDEMPTION DATE WHERE REDEMPTION AMOUNT OR ADDITIONAL PAYMENTS OR DELIVERIES ARE TO BE DETERMINED BY REFERENCE TO AN EXCHANGE RATE, AN INDEX, A BOND, A SHARE, ANY OTHER SECURITY, A FUTURE, A FUND, A STRADDLE, A COMMODITY, SWAP RATE(S), INTEREST RATE(S), ANY OTHER UNDERLYING, A BASKET OR INDEX CONSISTING OF ANY OF THE BEFOREMENTIONED AND/OR FORMULA(E) (THE "CERTIFICATES")

The following terms and conditions apply to the Certificates issued as Series No. **[number]** and Tranche No. **[number]** of that Series under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**").

§ 1
(FORM, TRANSFERABILITY)

(1) This issue of **[issue size]** certificates (the "**Certificates**") of Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the "**Issuer**") is issued in **[currency]** (the "**Issue Currency**") and relates to [●] (the "**Underlying**" [or "●"]). The Certificates will rank *pari passu* among themselves.

The following paragraphs (2) – (4) shall apply to all Certificates issued through the Swedish CSD

(2) The Certificates are issued in the form of Swedish dematerialised securities which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of Euroclear Sweden AB, Box 7822, 103 97 Stockholm, ("**Euroclear Sweden**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Swedish Financial Instruments Accounts Act (1998:1479). There will be neither global bearer securities nor definitive securities and no physical notes will be issued with respect to the Certificates.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), the regulations, rules and operating procedures applicable to and/or issued by Clearing System (the "**Swedish CSD Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on a Euroclear Sweden-account as holder of a Certificate or, where applicable, any other person acknowledged as the holder pursuant to the Swedish CSD Rules. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. The Issuer is entitled to receive from the Euroclear Sweden, at its request, a transcript of the register for the Certificates in accordance with the Swedish CSD Rules.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Norwegian CSD

(2) The Certificates are issued in dematerialized registered form which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of the Norwegian Central Securities Depositary VPS ASA, P.O. Box 4, 005, Oslo, ("**VPS**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64). There will be neither global bearer securities nor definitive securities and no physical notes will be issued in respect of the Certificates. Certificates issued through the Norwegian CSD must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by VPS from time to time and as amended from time to time.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64)., the regulations, rules and operating procedures applicable to and/or issued by VPS (the "**Norwegian CSD Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on a VPS-account as holder of a Certificate or, where applicable, any other person acknowledged as the holder pursuant to the Norwegian CSD Rules. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. The Issuer shall be entitled to obtain information from VPS in accordance with the Norwegian CSD Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Certificateholder of any Certificate shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Danish CSD

(2) The Certificates are issued in the form of Danish dematerialised securities cleared through the Danish Securities Centre (*Værdipapircentralen*) ("**VP**") in registered uncertificated form in accordance with Danish Consolidated Act No. 214 of 2 April 2008 on Trading in Securities (the "**Danish Securities Trading Act"**), as amended from time to time, and Executive Order No. 4 of 4 January 2008 on, *inter alia*, the registration of fund assets in a securities centre (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) ("**Danish VP Registration Order**").

(3) The Certificates will be transferable only in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. They will be issued in uncertificated and dematerialised registered form and no global bearer securities or definitive securities will be issued in respect thereof. The Certificates issued and cleared through VP are negotiable instruments and not subject to any restrictions on free negotiability within Denmark.

(4) The term "**Certificateholder**" in these Terms and Conditions refers to each person who is for the time being shown in the book entry system and register maintained by

VP as the holder of such Certificates for all purposes in accordance with the Danish Securities Trading Act and the Danish VP Registration Order.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Finnish CSD

(2) The Certificates are issued in the form of Finnish dematerialised securities which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of Euroclear Finland Ltd, P.O. Box 1110, FI-00101 Helsinki, Finland, ("**EFi**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Finnish Act on Book-Entry System (1991:826). There will be neither global bearer securities nor definitive securities.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Finnish Act on Book-Entry Accounts (1991:827), the regulations, rules and operating procedures applicable to and/or issued by EFi (the "**EFi Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on an EFi account as holder of a Certificate. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. Each of the Issuer and the Finnish Paying Agent (as defined in § 10), acting on behalf of the Issuer, is entitled to obtain from EFi a transcript of the register for the Certificates.

The following Paragraph (5) shall apply to all Certificates

(5) The Issuer reserves the right to issue from time to time without the consent of the Certificateholders another tranche of Certificates with substantially identical terms, so that the same shall be consolidated to form a single Series and increase the aggregate principal amount of the Certificates. The term "**Certificates**" shall, in the event of such consolidation, also comprise such additionally issued Certificates.

§ 2
(INTEREST)

The Certificates shall not bear any interest.

§ 3
(REDEMPTION [; OTHER PAYMENTS] [•])

(1) **[**Subject to **[**§**•][other applicable provisions] [**t**]] [**T**]**he Certificates will be redeemed pursuant to the following provisions on **[Redemption Date]** (the "**Redemption Date**"). **[insert applicable provisions including formula(e) and/or provisions regarding redemption by way of payment of Final Redemption Amount (including its definition) and/or redemption by way of delivery and/or additional definitions and/or other aspects, if appropriate]**.

[(2)**]** **[insert provisions regarding payments in addition to the Final Redemption Amount, if appropriate]**

The following § 4 shall apply if the tax gross-up clause of § 6 is selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF CERTIFICATES)

The following paragraph (1) shall apply to all Certificates with respect to which the Issuer does <u>not</u> have a Call Option

(1) Except as provided in **[**§ 7 paragraph **[**(1)/(3)**]** and**]** § 6 paragraph (3), the Issuer shall not be entitled to redeem the Certificates prior to the Redemption Date.

The following paragraph (1) shall apply to all Certificates with respect to which the Issuer has a Call Option

(1) The Issuer shall, in addition to the right to redeem the Certificates prior to the Redemption Date in accordance with **[**§ 7 paragraph **[**(1)**/**(3)**]** and**]** § 6 paragraph (3), have the right upon not less than **[number]** days' prior notice to be given by publication in accordance with § 13, to redeem prior to the Redemption Date all, but not less than all, of the outstanding Certificates in accordance with the following provisions:
[Insert applicable provisions]

The following paragraph (2) shall apply to all Certificates with respect to which the Certificateholders do <u>not</u> have a Put Option

(2) Except as provided in § 11, the Certificateholders shall not be entitled to call for a redemption of the Certificates prior to the Redemption Date.

The following paragraph (2) shall apply to all Certificates with respect to which the Certificateholders have a Put Option

(2) Each Certificateholder shall, in addition to the termination right provided under § 11, be entitled upon not less than **[number]** days' prior written notice to the Principal Paying Agent, to call his Certificates for early redemption in accordance with the following provisions:
[insert applicable provisions]

The following paragraph (3) shall apply to all Certificates which do <u>not</u> contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Certificates are called for redemption due to an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, the Certificates shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be determined as follows: **[insert applicable provisions]**

The following paragraph (3) shall apply to all Certificates which contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Certificates are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1)**/**(3)**]** or an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be

calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Certificates at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Certificates will terminate upon the payment of the Early Redemption Amount

The following paragraph (4) shall apply to all Certificates with Automatic Early Redemption

(4) Notwithstanding any other rights to redeem the Certificates prior to the Redemption Date in accordance with these Terms and Conditions, the Certificates shall be terminated automatically and redeemed on the Early Redemption Date at the Automatic Early Redemption Amount.

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and Automatic Early Redemption Amount(s) and/or other amount(s) and/or formula(e) and/or additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph shall apply to all Certificates

[(5)] The Issuer may at any time purchase Certificates in the market or otherwise. Certificates repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 4 applies if the tax gross-up clause of § 6 is <u>not</u> selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF CERTIFICATES)

The following paragraph (1) shall apply to all Certificates with respect to which the Issuer does <u>not</u> have a Call Option

(1) **[**Except as provided in § 7 paragraph **[**(1)/(3)**]**, the**][**The**]** Issuer shall not be entitled to redeem the Certificates prior to the Redemption Date.

The following paragraph (1) shall apply to all Certificates with respect to which the Issuer has a Call Option

(1) The Issuer shall **[**, in addition to the right to redeem the Certificates prior to the Redemption Date in accordance with § 7 paragraph **[**(1)/(3)**]**,**]** have the right upon not less than **[number]** days' prior notice to be given by publication in accordance with § 13, to redeem prior to the Redemption Date all, but not less than all, of the outstanding Certificates in accordance with the following provisions:
[Insert applicable provisions]

The following paragraph (2) shall apply to all Certificates with respect to which the Certificateholders do <u>not</u> have a Put Option

(2) Except as provided in § 11, the Certificateholders shall not be entitled to call for a redemption of the Certificates prior to the Redemption Date.

The following paragraph (2) shall apply to all Certificates with respect to which the Certificateholders have a Put Option

(2) Each Certificateholder shall, in addition to the termination right provided under § 11, be entitled upon not less than **[number]** days' prior written notice to the Principal Paying Agent, to call his Certificates for early redemption in accordance with the following provisions:
[insert applicable provisions]

The following paragraph (3) shall apply to all Certificates which do <u>not</u> contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Certificates are called for redemption due to an event having occurred as described in § 11 the Certificates shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be determined as follows: **[insert applicable provisions]**

The following paragraph (3) shall apply to all Certificates which contain an early redemption right with reference to an underlying pursuant to § 7

(3) If the Certificates are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1)/(3)**]** or an event having occurred as described in § 11, as the case may be, they shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Certificates at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Certificates will terminate upon the payment of the Early Redemption Amount.

The following paragraph (4) shall apply to all Certificates with Automatic Early Redemption

[(4)**]** Notwithstanding any other rights to redeem the Certificates prior to the Redemption Date in accordance with these Terms and Conditions, the Certificates shall be terminated automatically and redeemed on the Early Redemption Date at the Automatic Early Redemption Amount.

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and Automatic Early Redemption Amount(s) and/or other amount(s) and/or formula(e) and/or additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph shall apply to all Certificates

[(5)**]** The Issuer may at any time purchase Certificates in the market or otherwise. Certificates repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 5 shall apply to all Certificates in the case of cash settlement only

§ 5
(PAYMENTS)

(1) The Issuer irrevocably undertakes to pay, as and when due, all amounts payable pursuant to these Terms and Conditions in the Issue Currency.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Swedish CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made to the Certificateholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be transmitted by the Clearing System to the Certificateholders in accordance with the Swedish CSD Rules. Any payment from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Norwegian CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made on the due date to the Certificateholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be made by the Norwegian Paying Agent to the Certificateholders through the facilities provided by the VPS in accordance with the Norwegian CSD Rules. Any payment in accordance with the Norwegian CSD Rules or pursuant to the VPS's instructions or pursuant to the VPS's instructions and this provision shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following Paragraphs (2) – (3) shall apply to all Certificates issued through the Danish CSD

(2) Payment pursuant to these Terms and Conditions will be made to the persons registered as Certificateholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment and in accordance with the rules and procedures applied and or issued by VP from time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark.

The following Paragraphs (2) – (3) shall apply to all Certificates issued through the Finnish CSD

(2) **[**All amounts payable pursuant to these Terms and Conditions shall be made to the Certificateholders recorded as such on the first Finnish Business Day before the due date for such payment (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.**]** **[*Alternatively*: Insert applicable provisions in case Certificates are settled as warrant-style products]**

(3) All payments will be transmitted by the Clearing System to the Certificateholders in accordance with the EFi Rules. Any payment from the Issuer in accordance with the EFi Rules shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following paragraph [(4)] shall apply to all Certificates

[(4)**]** If any payment with respect to a Certificate is to be effected on a day other than a Payment Business Day, payment shall be effected on the next following Payment Business Day. In this case, the relevant Certificateholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) ***/*** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraph [(5)] applies if the tax gross-up clause of § 6 is selected

[(5)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Certificateholders in respect of such payments.

The following paragraph [(5)] applies if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(6)] shall apply to all Certificates

[(6)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, payments not claimed by Certificateholders within 12 months after its respective due date, even though the respective Certificateholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Certificateholders against the Issuer shall cease.

The following § 5 shall apply to all Certificates in the case there is cash settlement and delivery

§ 5
(PAYMENTS; DELIVERY OF [THE UNDERLYING] [•])

[(1) The Issuer irrevocably undertakes to pay in the Issue Currency, as and when due, all amounts payable or to deliver, as and when due, **[**the Underlying**]** **[•]** pursuant to these Terms and Conditions.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Swedish CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made to the Certificateholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be transmitted by the Clearing System to the Certificateholders in accordance with the Swedish CSD Rules. Any payment or delivery from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment or delivery obligations under the Certificates in the amount of such payment or in the number of **[**such Underlying**][•]** deliverable.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Norwegian CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made on the due date to the Certificateholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be made by the Norwegian Paying Agent to the Certificateholders through the facilities provided by the in accordance with the Norwegian CSD Rules. Any payment or delivery in accordance with the Norwegian CSD Rules and this provision shall release the Issuer from its payment or delivery obligations under the Certificates in the amount of such payment or in the number of **[**such Underlying**]** **[•]**deliverable.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Danish CSD

(2) Payment and delivery obligations pursuant to these Terms and Conditions will be made to the persons registered as Certificateholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment or delivery and in accordance with the rules and procedures applied and or issued by VP from time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark."

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Finnish CSD

(2) **[**Payments and delivery obligations under these Terms and Conditions shall be made to the Certificateholders recorded as such on the first Finnish Business Day before the due date for such payment or delivery (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.**]** **[*Alternatively*: Insert applicable provisions in case Certificates are settled as warrant-style products]**

(3) All payments and deliveries will be transmitted by the Clearing System to the Certificateholders in accordance with the EFi Rules. Any payment or delivery from the Issuer in accordance with the EFi Rules shall release the Issuer from its delivery obligations under the Certificates in the number of such Underlying deliverable.

The following paragraph [(4)] shall apply to all Certificates

[(4)**]** If any payment and/or any delivery with respect to a Certificate is to be effected on a day other than a Payment Business Day, payment and/or delivery shall be effected on the next following Payment Business Day. In this case, the relevant Certificateholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) ***/*** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraph [(5)] shall apply if the tax gross-up clause of § 6 is selected

[(5)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Certificateholders in respect of such payments and/or deliveries.

The following paragraph [(5)] shall apply if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(6)] shall apply to all Certificates

[(6)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, any amounts payable and/or any deliveries not claimed by Certificateholders within 12 months after its respective due date, even though the respective Certificateholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Certificateholders against the Issuer shall cease.**]**
[*Alternatively*: Insert applicable provisions]

The following § 5 shall apply to all Certificates in the case there is delivery

§ 5
(DELIVERY OF [THE UNDERLYING] [•])

[insert applicable provisions]

§ 6
(TAXES)

The following paragraph shall apply only to Certificates with respect to which the Certificateholder has to pay taxes, fees or other duties (Certificateholder tax responsibility clause)

All present and future taxes, fees or other duties in connection with the Certificates shall be borne and paid by the Certificateholders. The Issuer is entitled to withhold from payments to be made under the Certificates any taxes, fees and/or duties payable by the Certificateholder in accordance with the previous sentence.

The following paragraphs shall apply only to Certificates with respect to which the Certificateholder does not have to pay taxes, fees or other duties under certain circumstances (tax gross-up clause)

(1) All amounts payable under the Certificates will be paid without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein, unless the Issuer is compelled by a law or other regulation to deduct or withhold such taxes, duties or governmental charges. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts after such deduction or withholding shall equal the amounts that would have been payable if no such deduction or withholding had been made.

(2) No Additional Amounts shall be payable pursuant to paragraph (1) with respect to taxes, duties or governmental charges

(a) for which a Certificateholder is liable because of a connection with the Federal Republic of Germany or another **[**member state of the European Union**][**state that is part of the European Economic Area**]** other than the mere fact of his being the holder of the Certificates;

(b) to which the Certificateholder would not be subject if he had presented his Certificates for payment within 30 days from the due date for payment, or, if the necessary funds were not provided to the Principal Paying Agent or any other Paying Agent appointed pursuant to § 10 when due, within 30 days from the date on which such funds are provided to the Paying Agents and a notice to that effect has been published in accordance with § 13;

(c) which would not be payable if the Certificates had been kept in safe custody with, and the payments had been collected by, a credit institution;

(d) which are deducted or withheld by a Paying Agent, if the payment could have been made by another Paying Agent without such deduction or withholding;

(e) which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or another member state of the European Union or the European Union is party, or (iii) any provision of law implementing or complying with, or introduced to conform with, such Directive, regulation, treaty or understanding;

(f) which are payable by any person acting as custodian bank or collecting agent on behalf of a Certificateholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it;

(g) which are deducted or withheld, even if the deduction or withholding has to be made by the Issuer or its representative, pursuant to the provisions of the definitive flat tax regime (*Abgeltungsteuer*) according to German tax law on certain investment income as from January 1, 2009; or

(h) which are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § 13.

(3) If at any future time as a result of a change of the laws applicable in the Federal Republic of Germany or a change in their official application, the Issuer is required, or at the time of the next succeeding payment due will be required, to pay Additional Amounts as provided in § 6 paragraph (1) the Issuer will be entitled, upon not less than 30 days' and not more than 60 days' notice to be given by publication in accordance with § 13, prior to the Redemption Date to redeem all Certificates at the Early Redemption Amount. No redemption pursuant to this § 6 paragraph (3) shall be made more than 30 days prior to the date on which such change of the laws or their official application becomes applicable to the Certificates for the first time.

The following § 7 shall apply to all Certificates with reference to a share and shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION[; SETTLEMENT DISRUPTION][•])

(1) If in the opinion of the Calculation Agent (§ 10) an Adjustment Event or an Extraordinary Event (both as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If in the opinion of the Calculation Agent an Extraordinary Event has occurred, the Issuer is entitled, but not obligated, to (instead of an adjustment) terminate and redeem the Certificates prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13.

(2) In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Related Exchange (as defined below). In the event that options or futures contracts relating to the

Underlying are not traded on the Related Exchange, the Issuer is entitled, but not obligated, to take into consideration the manner in which adjustments would be made by the Related Exchange if such options or futures contracts were traded on the Related Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Related Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code).

(3) Any of the before-mentioned adjustments may, among others, relate to **[parameters]** and may result in the Underlying being replaced by other securities, a basket of securities and/or cash, and another stock exchange being determined as the Exchange. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(4) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Related Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Related Exchange if such options or futures contracts were traded on the Related Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date / **insert other valuation time]** the **[Price]** of the Underlying is not determined and published by the Exchange, or if on the **[**the Valuation Date / **insert other valuation time]**, in the opinion of the Calculation Agent, a Market Disruption Event with respect to the Underlying occurs, then the next following calendar day on which the **[Price]** is again determined and published by the Exchange and on which there is no Market Disruption Event with respect to the Underlying will be deemed to be the **[**the Valuation Date / **insert other valuation time]**.

If according to the before-mentioned provisions the **[**the Valuation Date / **insert other valuation time]** is postponed until the second Exchange Business Day prior to the Redemption Date and if on such date the **[Price]** of the Underlying is still not determined and published by the Exchange or if a Market Disruption Event occurs or is continuing on such date, such date prior to the Redemption Date shall be deemed to be the relevant **[**the Valuation Date / **insert other valuation time]**, and the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code) and in consideration of the prevailing market conditions, estimate the **[Price]** of the Underlying on such date and make a notification in accordance with § 13.

The following paragraph (6) shall apply to all Certificates with delivery obligations

[(6)**]** **[**If the Issuer is required to deliver the Delivery Amount and if, in the opinion of the Calculation Agent, a Settlement Disruption Event occurs or is continuing on the Redemption Date, then the delivery of the Delivery Amount shall be postponed to the first following Exchange Business Day on which there is no Settlement Disruption Event (the "**Postponed Settlement Date**"). In no event shall the Postponed Settlement Date be later than the fifth Exchange Business Day following the Redemption Date. If the Settlement Disruption Event is continuing on the fourth Exchange Business Day following the Redemption Date, then (i) the Postponed Settlement Date shall be the fifth Exchange Business Day following the Redemption Date and (ii) the Issuer shall have the right to pay a cash equivalent redemption amount (the "**Cash Equivalent Redemption Amount**"), in lieu of the delivery of the Delivery Amount, to the Certificteholder. In the event of a payment of a Cash Equivalent Redemption Amount § 5 paragraph 4 of these Terms and Conditions shall apply *mutatis mutandis*. This Cash Equivalent Redemption Amount will be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code).

All determinations made by the Issuer and/or the Calculation Agent pursuant to this paragraph shall be notified to the Certificateholder in accordance with § 13. The Certificateholder will not be entitled to any compensation from the Issuer for any loss suffered as a result of the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

The following paragraphs shall apply to all Certificates with reference to a share or shares

[(7)**]** For the purposes of this § 7 the following definitions shall apply:

"**Adjustment Event**" means:

(a) any of the following actions taken by the Company: capital increases through issuance of new shares against capital contribution and issuance of subscription rights to the shareholders, capital increases out of the Company's reserves, issuance of securities with option or conversion rights related to the Underlying, distributions of extraordinary dividends, stock splits or any other split, consolidation or alteration of category (as long as this does not constitute a merger);

(b) a spin-off of a part of the Company in such a way that a new independent entity is formed, or that the spun-off part of the Company is absorbed by another entity;

(c) the adjustment of options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such adjustment; or

(d) any other adjustment event being economically comparable to the before-mentioned events with regard to their effects.

"**Extraordinary Event**" means any of the following events:

(a) a takeover-bid, i.e. an offer to take over or to swap or any other offer or any other act of an individual person or a legal entity that results in the individual person or legal entity buying, otherwise acquiring or obtaining a right to buy more than 10% of the outstanding shares of the Company as a consequence of a conversion or otherwise, as determined by the Issuer based on notifications to the competent authorities or on other information determined as relevant by the Issuer;

(b) the termination of trading in, or early settlement of, options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such termination or early settlement;

(c) the becoming known of the intention of the Company or of the Exchange to terminate the listing of the Underlying on the Exchange due to a merger by absorption or by creation, a change of legal form into a company without shares or any other reason;

(d) the termination of the listing of the Underlying at the Exchange or the announcement of the Exchange that the listing of the Underlying at the Exchange will terminate immediately or at a later date and that the Underlying will not be admitted, traded or listed at any other exchange, trading system or quotation system immediately following the termination of the listing;

(e) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Certificates or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

(f) a procedure is introduced or ongoing pursuant to which all shares or the substantial assets of the Company are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;

(g) the application for insolvency proceedings or for comparable proceedings with regard to the assets of the Company according to the applicable law of the Company; or

(h) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Market Disruption Event**" means any material occurrence or existence of any suspension of, or limitation imposed on, trading (by reason of movements in price exceeding the limits permitted by the Exchange or otherwise) in (a) the Underlying on the Exchange, or (b) any options contracts or futures contracts relating to the Underlying on the Related Exchange.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

["**Settlement Disruption Event**" means an event, **[**(a)**]** which, in the opinion of the Calculation Agent, is beyond the control of the Issuer and as a result of which the Issuer cannot deliver or cannot procure the delivery of the Delivery Amount **[**or, (b) if it is impossible to deliver the Delivery Amount to the Certificateholders under the applicable **[insert applicable CSD Rules]** irrespective of when such rules have been introduced**].]]** **[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]**

The following § 7 shall apply to Certificates with reference to an index consisting of shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If the Index is no longer calculated and published by the Index Sponsor but by another person, company or institution acceptable to the Issuer as the new Index Sponsor (the "**Successor Sponsor**"), the redemption of the Certificates will be determined on the basis of the Index being calculated and published by the Successor Sponsor and any reference made to the Index Sponsor shall, if the context so admits, then refer to the Successor Sponsor.

(2) If at any time the Index is cancelled or replaced, the Calculation Agent (§ 10) will determine another index on the basis of which the redemption of the Certificates will be determined (the "**Successor Index**"). The respective Successor Index as well as the time of its first application will be notified as soon as possible pursuant to § 13. Any reference made to the Index in these Terms and Conditions shall, if the context so admits, then refer to the Successor Index.

(3) If in the opinion of the Calculation Agent (i) the determination of a Successor Index in accordance with the above paragraph is not possible or (ii) if the Index Sponsor materially modifies the calculation method of an Index with effect on or before the **[**the Valuation Date / **insert other valuation time]**, or materially modifies the Index in any other way (except for modifications which are contemplated in the calculation method of the Index relating to a change with respect to securities comprising the Index or with respect to any other routine measures) (each of such events an "**Extraordinary Event**"), then the Issuer is entitled to (a) continue (itself or through an independent expert determined by the Issuer) the calculation of the Index on the basis of the former concept of the Index and its last determined level or (b) to (instead of a continuation of the calculation of the Index) terminate and redeem the Certificates prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13.

(4) Adjustments take effect as from the date determined by the Issuer. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date / **insert other valuation time]** a **[Price]** of the Index is not determined and published or if in the opinion of the Calculation Agent there is a Market Disruption Event with regard to the Index on **[**the Valuation Date / **insert other valuation time]**, then **[**the Valuation Date / **insert other valuation time]** shall be postponed to the next calendar day on which the **[Price]** of the Index is again determined and published and on which there is no Market Disruption Event.

If according to the provisions above **[**the Valuation Date / **insert other valuation time]** is postponed until the second [Exchange] [•] Business Day prior to the Redemption Date and if on this day the **[Price]** of the Index is still not determined and published or if, in the opinion of the Calculation Agent, a Market Disruption Event occurs with regard to the Index, then the Calculation Agent will calculate the Index on such date by applying the calculation method for the Index last in effect.

For the purpose of such calculation, the Calculation Agent will calculate the closing level of the Index on the basis of the prices of the securities comprising the index on such day at the time the **[Price]** of the Index is usually determined (the "**Calculation Time**"). If the trading of one or more securities being relevant for such calculation is limited or suspended on such date, the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code (BGB) and in consideration of the prevailing market conditions estimate the price of the relevant securities at the Calculation Time and make a notification in accordance with § 13.

[(6)] ***Alternatively:*** **Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]**

The following § 7 shall apply to Certificates with reference to a commodity or commodities

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If in the opinion of the Calculation Agent (§ 10) an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to either (i) make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter, or (ii) to (instead of an adjustment) terminate and redeem the Certificates prematurely at the Early Redemption Amount (§ 4 paragraph (3)) by giving notice in accordance with § 13. In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code). Any of the before-mentioned adjustments may, among others, relate to **[**the Strike Price, the Multplier etc.**] [other parameters]** and may result in the Futures Contract being replaced by other futures contracts, a basket of futures contracts and/or cash, and another exchange being determined as the Exchange.

However, the Issuer is not obligated to make an adjustment and it is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(2) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(3) If on the Valuation Date in the opinion of the Calculation Agent a **[Price]** of the Futures Contract is not determined and published or if a Trading Disruption with respect to the Futures Contract occurs, then the next following calendar day on which a **[Price]** of the Futures Contract is again determined and published and on which a Trading Disruption does not occur will be deemed to be the Valuation Date for the Futures Contract.

(4) If according to the before-mentioned provisions the Valuation Date is postponed until the second Exchange Business Day prior to the Redemption Date and if on such date a **[Price]** of the Futures Contract is still not determined and published or if a Trading Disruption occurs or is continuing on such date, such second Exchange Business Day prior to the Redemption Date shall be deemed to be the relevant Valuation Date, and the Calculation Agent will, in its reasonable discretion (§ 315 German Civil Code (BGB)) and in consideration of the prevailing market conditions estimate the **[Price]** of the Futures Contract on such day and make a notification in accordance with § 13.

(5) For the purposes of this § 7 the following definitions shall apply:

"**Disappereance of Reference Price**" means (A) the permanent discontinuation of trading, in the Futures Contract on the Exchange; (B) the disappearance of, or of trading in, the Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a **[Price]**, notwithstanding the availability of the Price Source or the status of trading in the Futures Contract or the Commodity.

"**Extraordinary Event**" means the occurrence of any of the following events:

(a) Price Source Disruption; or

(b) Trading Disruption; or

(c) Disappearance of Reference Price; or

(d) Material Change in Content; or

(e) Tax Disruption; or

(f) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Material Change in Content**" means the occurrence of a material change in the content, composition or constitution of the Commodity or the Futures Contract.

"**Price Source Disruption**" means (A) the failure of the Price Source to announce or publish the relevant **[Price]** (or the information necessary for determining the **[Price]**); or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Tax Disruption**" means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, a Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the **[Price]**.

"**Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange. For these purposes:

(A) a suspension of the trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if:

(1) all trading in the Futures Contract or the Commodity is suspended for the entire Exchange Business Day; or

(2) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Exchange Business Day, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Exchange Business Day and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if the Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity oh such day is at the upper or lower limit of that range.]

[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]

The following § 7 shall apply to Certificates with reference to other underlyings

[§ 7
([ADJUSTMENTS][; MARKET DISRUPTION] [•])

Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates

§ 8
(PRESCRIPTION)

The following paragraph shall apply to all Certificates

The prescription period for claims against the Issuer for the payment of principal shall be ten (10) years from the due date for such payment.

The following paragraph shall be added to all Certificates issued through the Danish CSD

Claims against the Issuer for the payment in respect of such Certificates shall in accordance with Section 73 of the Danish Securities Trading Act be time-barred unless made within ten (10) years after the due date therefore and thereafter any amounts payable in respect of such Certificates shall be forfeited and revert to the Issuer.

§ 9
(STATUS)

The obligations under the Certificates constitute direct, unconditional and unsecured obligations of the Issuer and rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

§ 10
(AGENTS)

The following paragraph (1) shall apply to all Certificates

(1) **[**Commerzbank Aktiengesellschaft **[address]] [other bank]]** shall be the "**Principal Paying Agent**" **[**.**]**

The following paragraph shall be added to paragraph (1) in relation to Certificates issued through the Norwegian CSD or Finnish CSD

and **[insert details of Norwegian Paying Agent that is an authorised VPS account operator / details of Finnish Paying Agent]** shall be appointed as the **[**"**Norwegian Paying Agent**" **/** "**Finnish Paying Agent**"**]**.

The following paragraph shall be added to paragraph (1) in relation to Certificates issued through the Swedish CSD

and **[insert details of Swedish Issuing and Paying Agent]** shall be appointed as the **[**"**Issuing and Paying Agent**"**]**.

The following paragraph shall be added to paragraph (1) in relation to Certificates which are <u>not</u> listed on a stock exchange requiring a local Paying Agent other than Certificates issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent.

The following paragraph shall be added to paragraph (1) in relation to Certificates which are listed on a stock exchange requiring a local Paying Agent other than Certificates issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Certificates are listed on the **[exchange]** there will at all times be a Paying Agent in **[city].**

The following paragraph shall be added to paragraph (1) in relation to Certificates which are issued through the Finnish CSD]¶

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Certificates are issued through the Clearing System System there will at all times be a Paying Agent in [Helsinki,] Finland.

The following paragraph shall be added to paragraph (1) in relation to Certificates with respect to which an additional Paying Agent has not been appointed

The Issuer is entitled to appoint other banks of international standing as additional paying agents (each, a "**Paying Agent**"; the Principal Paying Agent **[**, the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any additional Paying Agent together the "**Paying Agents**"). Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent **[**as well as of individual Paying Agents**]**. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent **[**or Paying Agent**]**, the Issuer shall appoint another bank of international standing as Principal Paying Agent **[**or Paying Agent, as the case may be**]**. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraph shall be added to paragraph (1) in relation to Certificates with respect to which an additional Paying Agent has been appointed

[Commerzbank International S.A. **[address] / [**and**] [other bank(s)]]** shall be appointed as additional Paying Agent**[**s**]** (**[**each, a**] [**the**]** "**Paying Agent**"; the Principal Paying Agent **[**, the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any Paying Agent together the "**Paying Agents**"). The Issuer is entitled to appoint other banks of international standing as additional paying agents. Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent as well as of individual Paying Agents. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent or Paying Agent, the Issuer shall appoint another bank of international standing as Principal Paying Agent or Paying Agent, as the case may be. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraphs (2) – (4) shall apply to all Certificates which are not issued through the Danish CSD

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the

appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent acting in such capacity, act only as agents of the Issuer. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent on the one hand and the Certificateholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

The following paragraphs (2) – (5) shall apply only to Certificates which are issued through the Danish CSD

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The Issuer will in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time, appoint (i) VP as the central securities depository, and (ii) **[insert details of Danish issuing agent]** as the "**Issuing Agent**".

The Issuer is entitled to vary or terminate the appointment of VP or the Issuing Agent, provided that the Issuer shall appoint another central securities depository or Issuing Agent, each of them to be duly authorised under the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The appointment of another central securities depository or

Issuing Agent shall be published without undue delay by the Issuer in accordance with § 13.

(5) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent, acting each in such capacity, and the central securities depository and the Issuing Agent act only as agents of the Issuer and do not assume any obligations to any Certificateholders. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**],** the Calculation Agent, the central securities depository and the Issuing Agent on the one hand and the Certificateholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country**.**

§ 11
(TERMINATION)

(1) Each Certificateholder is entitled to declare his Certificates due and to require the redemption of his Certificates at the Early Redemption Amount pursuant to § 4 paragraph (3) as provided hereinafter, if:

(a) the Issuer is in default for more than 30 days in the payment of any amount **[to be added if Certificates contain a delivery obligation:** and/or any delivery**]** due under these Terms and Conditions;

(b) the Issuer violates any other obligation under these Terms and Conditions, and such violation continues for 60 days after receipt of written notice thereof from the respective Certificateholder;

(c) the Issuer is wound up or dissolved whether by a resolution of the shareholders or otherwise (except in connection with a merger or reorganisation in such a way that all of the assets and liabilities of the Issuer pass to another legal person in universal succession by operation of law);

(d) the Issuer ceases its payments and this continues for 60 days, or admits to be unable to pay its debts;

(e) any insolvency proceedings are instituted against the Issuer which shall not have been dismissed or stayed within 60 days after their institution or the Issuer applies for the institution of such proceedings, or offers or makes an arrangement for the benefit of its creditors or the Federal Financial Supervisory Authority (BaFin) opens insolvency proceedings against the Issuer; or

(f) in the case of a substitution of the Issuer within the meaning of § 12 paragraph (4)(b) any of the events set forth in sub-paragraphs (c)-(e) above occurs in respect of the Guarantor.

The right to declare Certificates due shall terminate if the circumstances giving rise to it have been remedied before such right is exercised.

(2) The right to declare Certificates due pursuant to paragraph (1) shall be exercised by a Certificateholder by delivering or sending by registered mail to the Principal Paying Agent a written notice which shall state the amount of the Certificates called for

redemption and shall enclose evidence of ownership reasonably satisfactory to the Principal Paying Agent.

The following § 12 shall apply to all Certificates containing a substitution of Issuer clause

§ 12
(SUBSTITUTION OF ISSUER, BRANCH DESIGNATION)

(1) Any other company may assume at any time during the life of the Certificates, subject to § 12 paragraph (4), without the Certificateholders' consent upon notice by the Issuer given through publication in accordance with § 13, all the obligations of the Issuer under these Terms and Conditions.

(2) Upon any such substitution, such substitute company (hereinafter called the "**New Issuer**") shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under these Terms and Conditions with the same effect as if the New Issuer had been named as the Issuer herein; the Issuer (and, in the case of a repeated application of this § 12, each previous New Issuer) shall be released from its obligations hereunder and from its liability as obligor under the Certificates.

(3) In the event of such substitution, any reference in these Terms and Conditions (except for this § 12) to the "**Issuer**" shall from then on be deemed to refer to the New Issuer and any reference to the country of the corporate seat of the Issuer which is to be substituted (except for the references in § 15 to the Federal Republic of Germany) shall be deemed to refer to the country of the corporate seat of the New Issuer and the country under the laws of which it is organised.

(4) No such substitution shall be permitted unless

(a) the New Issuer has agreed to indemnify and hold harmless each Certificateholder against any tax, duty, assessment or governmental charge imposed on such Certificateholder in respect of such substitution;

(b) the Issuer (in this capacity referred to as the "**Guarantor**") has unconditionally and irrevocably guaranteed to the Certificateholders compliance by the New Issuer with all payment **[**and delivery**]** obligations assumed by it under guarantee terms usually given by the Guarantor with respect to note issues by any of its finance companies and the text of this guarantee has been published in accordance with § 13; **[**and**]**

(c) the New Issuer and the Guarantor have obtained all governmental authorisations, approvals, consents and permissions necessary in the jurisdictions in which the Guarantor and/or the New Issuer are domiciled or the country under the laws of which they are organised [**other applicable provisions]**.

The following paragraph (d) shall apply to all Certificates issued through the Swedish and Norwegian CSD

(d) **[**Euroclear Sweden **/** VPS**]** has given its consent to the substitution (which consent shall not be unreasonably withheld or delayed).

The following paragraphs (5) and (6) shall apply to all Certificates

(5) Upon any substitution of the Issuer for a New Issuer, this § 12 shall apply again.

(6) The Issuer may at any time, designate by publication in accordance with § 13 any branch (*Betriebsstätte*) of the Issuer outside the Federal Republic of Germany as the branch (*Betriebsstätte*) primarily responsible for the due and punctual payment in respect of the Certificates then outstanding and the performance of all of the Issuer's other obligations under the Certificates then outstanding.

Paragraphs (4)(c), (d) and (5) of this § 12 shall apply *mutatis mutandis* to such designation.

The following § 12 shall apply to all Certificates which <u>not</u> contain a substitution of Issuer clause

§ 12
(THIS CLAUSE HAS BEEN LEFT BLANK INTENTIONALLY)

§ 13
(NOTICES)

The following paragraph shall apply only to Certificates which are listed on a stock exchange or offered to the public

Notices relating to the Certificates shall be **[**published**]** **[●]** **[**in the electronic federal gazette (*elektronischer Bundesanzeiger*)**]** **[●]** **[**and, to the extent legally required,**]** **[**in a mandatory newspaper designated by a German stock exchange (*Börsenpflichtblatt*)**]** **[**in a leading daily newspaper of nation-wide circulation in **[country in which the admission to trading is sought]]** **[**on the website of **[**the stock exchange on which the Certificates are listed**]** **[**the Issuer**]** **[**or**]**

The following paragraph shall be added in relation to Certificates issued through the Swedish CSD

[sent (i) to the Certificateholder through the facilities in the Clearing System according to the Swedish CSD Rules, or (ii) to the Certificateholder at the addresses registered in the Clearing System in accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Certificateholders through the facilities in the Clearing System, or (ii) upon receipt after they has been sent to the Certificateholders at the addresses registered in the Clearing System.**]** **[**in accordance with the rules of the country in which the Certificates are listed**]** **[insert other applicable provisions]**.

The following paragraph shall be added in relation to Certificates issued through the Norwegian CSD

[sent by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Certificateholders or directly to the Certificateholders, provided this complies with the rules of the stock exchange on which the Certificates are listed. Notices to the Clearing System shall be deemed to be effected seven days after the notification to the Clearing System, direct notices to the Certificateholders shall be deemed to be effected upon their receipt.**]** **[**in accordance with the rules of the country in which the Certificates are listed**]** **[insert other applicable provisions]**.

The following paragraph shall be added in relation to Certificates issued through the Danish CSD

[sent (i) to the Certifcateholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Certifcateholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**]** **[**in accordance with the rules of the country in which the Certificates are listed**]** **[other applicable provisions]**.

The following paragraph shall be added in relation to Certificates issued through the Finnish CSD

[(i) published as a stock exchange release through OMX Nordic Exchange Helsinki Ltd. or (ii) sent by mail to each Certificateholder to the address registered for such Certificateholder in the Clearing System. If published as a stock exchange release, any such notice shall be deemed to have been given on the date of such publication (if published more than once or on different dates, on the date of the first publication) or, if sent by mail to the Certificateholders, on the seventh day following the day the notice was sent by mail.**]** **[**in accordance with the rules of the country in which the Certificates are listed**]** **[insert other applicable provisions]**.

The following paragraph shall apply only to Certificates which are neither listed on a stock exchange nor offered to the public

Notices relating to the Certificates shall be sent

The following paragraph shall apply to all Certificates issued through the Swedish CSD

[(i) to the Certificateholder through the facilities in the Clearing System according to the Swedish CSD Rules, (ii) to the Certificateholder at the addresses registered in the Clearing System in accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Certificateholders through the facilities in the Clearing System, or (ii) upon receipt after they has been sent to the Certificateholders at the addresses registered in the Clearing System.**]** **[insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Norwegian CSD

[by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Certificateholders or directly to the Certificateholders. Notices via the Clearing System shall be deemed to be effected seven days after the notice to the Clearing System, direct notices to the Certificateholders shall be deemed to be effected upon their receipt.**]** **[insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Danish CSD

[(i) to the Certifcateholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Certifcateholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Finnish CSD

[by mail to each Certificateholder to the address registered for such Certificateholder in the Clearing System. Any such notice shall be deemed to have been given on the seventh day following the day the notice was sent by mail.**] [insert other applicable provisions]**

§ 14
(FINAL CLAUSES)

(1) The Certificates and the rights and duties of the Certificateholders, the Issuer, the Calculation Agent and the Paying Agents shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph (2) to (4) of the Terms and Conditions which shall be governed by the laws of **[**the Kingdom of Sweden**] [**the Kingdom of Norway**] [**the Kingdom of Denmark**] [**the Republic of Finland**]**.

The following sentence shall be added to Paragraph (1) for all Certificates issued through the Danish CSD

Certificates issued through VP must comply with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time and as amended from time to time

The following paragraphs (2) – (9) shall apply to all Certificates

(2) In the event of manifest typing or calculation errors or similar manifest errors in the Terms and Conditions, the Issuer shall be entitled to declare rescission (*Anfechtung*) to the Certificateholders. The declaration of rescission shall be made without undue delay upon becoming aware of any such ground for rescission (Anfechtungsgrund) and in accordance with § 13. Following a declaration of rescission by the Issuer, the Certificateholder is entitled to request repayment of the Issue Price by delivery of a duly completed redemption notice to the Principal Paying Agent on the form available at the Principal Paying Agent or by providing all information and statements requested therein (the "**Redemption Notice**") and by transfer of the Certificates to the account of the Principal Paying Agent with the Clearing System. The Issuer shall make available the Issue Price to the Principal Paying Agent within [number] calendar days following receipt of the Redemption Notice and of the Certificates by the Principal Paying Agent, whichever receipt is later, whereupon the Principal Paying Agent shall transfer the Issue Price to the account specified in the Redemption Notice. Upon payment of the Issue Price all rights under the Certificates delivered shall expire.

(3) The Issuer may combine the declaration of rescission pursuant to paragraph (2) with an offer to continue the Certificates on the basis of corrected Terms and Conditions.

Such an offer and the corrected provisions shall be notified to the Certificateholders together with the declaration of rescission in accordance with § 13. Any such offer shall be deemed to be accepted by a Certificateholder (and the rescission shall not take effect), unless the Certificateholder requests repayment of the Issue Price within four weeks following the date on which the offer has become effective in accordance with § 13 by delivery of a duly completed Redemption Notice to the Principal Paying Agent and by transfer of the Certificates to the account of the Principal Paying Agent with the Clearing System pursuant to paragraph 2. The Issuer shall refer to this effect in the notification.

(4) "**Issue Price**" within the meaning of paragraphs (2) and (3) shall be the actual purchase price paid at the time of the first purchase of the Certificates delivered for repayment [, or (if no purchase price for the first purchase of the Certificates can be determined) the issue price as set forth in the applicable Final Terms relating to the Base Prospectus dated [date]].

(5) Contradictory or incomplete provisions in the Terms and Conditions may be corrected or amended, as the case may be, by the Issuer in its reasonable discretion (§ 315 of the German Civil Code). The Issuer, however, shall only be entitled to make such corrections or amendments which are reasonably acceptable to the Certificateholders having regard to the interests of the Issuer and in particular which do not materially adversely affect the legal or financial situation of the Certificateholders. Notice of any such correction or amendment shall be given to the Certificateholders in accordance with § 13.

(6) If the Certificateholder was aware of typing or calculation errors or similar errors at the time of the acquisition of the Certificates, then, notwithstanding paragraphs (2) - (5), the Certificateholders can be bound by the Issuer to the corrected Terms and Conditions.

(7) Should any provision of these Terms and Conditions be or become void in whole or in part, the other provisions shall remain in force. The void provision shall be replaced by a valid provision that reflects the economic intent of the void provision as closely as possible in legal terms. In those cases, however, the Issuer may also take the steps described in paragraphs (2) to (5) above.

(8) Place of performance is Frankfurt am Main.

(9) Place of jurisdiction **[**shall be Frankfurt am Main, Federal Republic of Germany**]** **[**other location**]** **[**for all disputes and other proceedings in connection with the Certificates for merchants, entities of public law, special funds under public law and entities without a place of general jurisdiction in the Federal Republic of Germany is Frankfurt am Main. In such a case, the place of jurisdiction in Frankfurt am Main shall be an exclusive place of jurisdiction**]**.

(10) The English version of these Terms and Conditions shall be binding. Any translation is for convenience only.

TERMS AND CONDITIONS SET 3 (UNLIMITED CERTIFICATES WITHOUT FIXED REDEMPTION DATE)

PROGRAMME TERMS AND CONDITIONS OF UNLIMITED CERTIFICATES WITHOUT FIXED REDEMPTION DATE WHERE REDEMPTION AMOUNT OR ADDITIONAL PAYMENTS OR DELIVERIES ARE TO BE DETERMINED BY REFERENCE TO AN EXCHANGE RATE, AN INDEX, A BOND, A SHARE, ANY OTHER SECURITY, A FUTURE, A FUND, A STRADDLE, A COMMODITY, SWAP RATE(S), INTEREST RATE(S), ANY OTHER UNDERLYING, A BASKET OR INDEX CONSISTING OF ANY OF THE BEFOREMENTIONED AND/OR FORMULA(E) (THE "UNLIMITED CERTIFICATES")

The following terms and conditions apply to the Certificates issued as Series No. **[number]** and Tranche No. **[number]** of that Series under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**").

§ 1
(FORM, TRANSFERABILITY)

(1) This issue of **[issue size]** unlimited certificates (the "**Certificates**") of Commerzbank Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the "**Issuer**") is issued in **[currency]** (the "**Issue Currency**") and relates to [●] (the "**Underlying**" [or "●"]). The Certificates will rank *pari passu* among themselves.

The following paragraphs (2) – (4) shall apply to all Certificates issued through the Swedish CSD

(2) The Certificates are issued in the form of Swedish dematerialised securities which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of Euroclear Sweden AB, Box 7822, 103 97 Stockholm, ("**Euroclear Sweden**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Swedish Financial Instruments Accounts Act (1998:1479). There will be neither global bearer securities nor definitive securities.and no physical notes will be issued with respect to the Certificates.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), the regulations, rules and operating procedures applicable to and/or issued by Euroclear Sweden (the "**Swedish CSD Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on a Euroclear Sweden-account as holder of a Certificate or, where applicable, any other person acknowledged as the holder pursuant to the Swedish CSD Rules. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. The Issuer is entitled to receive from the Euroclear Sweden, at its request, a transcript of the register for the Certificates in accordance with the Swedish CSD Rules.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Norwegian CSD

(2) The Certificates are issued in dematerialized registered form which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of the Norwegian Central Securities Depositary VPS ASA, P.O.Box 4, 005, Oslo, ("**VPS**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64). There will be neither global bearer securities nor definitive securities and no physical notes will be issued in respect of the Certificates. Certificates issued through the Norwegian CSD must comply with the Norwegian Securities Trading Act, and the procedures applicable to and/or issued by VPS from time to time and as amended from time to time.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Norwegian Securities Register Act (lov om registrering av finansielle instrumenter 2002 5. juli nr. 64)., the regulations, rules and operating procedures applicable to and/or issued by VPS (the "**Norwegian CSD Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on a VPS-account as holder of a Certificate or, where applicable, any other person acknowledged as the holder pursuant to the Norwegian CSD Rules. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. The Issuer shall be entitled to obtain information from VPS in accordance with the Norwegian CSD Rules. Except as ordered by a court of competent jurisdiction or as required by law, the Certificateholder of any Norwegian Certificate shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Danish CSD

(2) The Certificates are issued in the form of Danish dematerialised securities cleared through the Danish Securities Centre (*Værdipapircentralen*) ("**VP**") in registered uncertificated form in accordance with Danish Consolidated Act No. 214 of 2 April 2008 on Trading in Securities (the "**Danish Securities Trading Act"**), as amended from time to time, and Executive Order No. 4 of 4 January 2008 on, *inter alia*, the registration of fund assets in a securities centre (*Bekendtgørelse om registrering m.v. af fondsaktiver i en værdipapircentral*) ("**Danish VP Registration Order**").

(3) The Certificates will be transferable only in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. They will be issued in uncertificated and dematerialised registered form and no global bearer securities or definitive securities will be issued in respect thereof. The Certificates issued and cleared through VP are negotiable instruments and not subject to any restrictions on free negotiability within Denmark.

(4) The term "**Certificateholder**" in these Terms and Conditions refers to each person who is for the time being shown in the book entry system and register maintained by

VP as the holder of such Certificates for all purposes in accordance with the Danish Securities Trading Act and the Danish VP Registration Order.

The following Paragraphs (2) – (4) shall apply to all Certificates issued through the Finnish CSD

(2) The Certificates are issued in the form of Finnish dematerialised securities which entitle the Certificateholders (as defined in paragraph (4) below) to demand from the Issuer payments or deliveries pursuant to the provisions of these Terms and Conditions. The Certificates will only be evidenced by book entries in the system of Euroclear Finland Ltd, P.O. Box 1110, FI-00101 Helsinki, Finland, ("**EFi**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with the Finnish Act on Book-Entry System (1991:826). There will be neither global bearer securities nor definitive securities.

(3) Transfers of the Certificates and other registration measures shall be made in accordance with the Finnish Act on Book-Entry Accounts (1991:827), the regulations, rules and operating procedures applicable to and/or issued by EFi (the "**EFi Rules**").

(4) The term "**Certificateholder**" in these Terms and Conditions refers to any person that is registered on an EFi account as holder of a Certificate. For nominee registered Certificates the authorised nominee shall be considered to be the Certificateholder. Each of the Issuer and the Finnish Paying Agent (as defined in § 10), acting on behalf of the Issuer, is entitled to obtain from EFi a transcript of the register for the Certificates.

The following Paragraph (5) shall apply to all Certificates

(5) The Issuer reserves the right to issue from time to time without the consent of the Certificateholders another tranche of Certificates with substantially identical terms, so that the same shall be consolidated to form a single Series and increase the aggregate principal amount of the Certificates. The term "**Certificates**" shall, in the event of such consolidation, also comprise such additionally issued Certificates.

§ 2
(REDEMPTION BY A CERTIFICATEHOLDER)

(1) Subject to the provision of § 3 paragraph 4, every Certificateholder shall, in addition to the termination right provided under § 11, have the right to request the redemption of the Certificates from the Issuer. The redemption pursuant to this clause can only be requested in accordance with the following provisions and only with respect to a Redemption Date **[**(paragraph 6)**]**. **[**Redemption Date means **[●]]**

(2) Each Certificate shall be redeemed on the Redemption Date **[**, subject to postponement in accordance with § 7 paragraph (●)**][**at an amount (the "**Final Redemption Amount**") which is calculated pursuant to the following provisions: **]**
[insert applicable provisions including formula(e) and/or provisions regarding redemption by way of payment of Final Redemption Amount (including its definition) and/or redemption by way of delivery and/or additional definitions and/or other aspects, if appropriate].

(3) In order to request the redemption of the Certificates with respect to a Redemption Date, the Certificateholder has to:

(a) submit a written notice to the Principal Paying Agent (§ 10) requesting the redemption of the Certificates held and specifying a Redemption Date (the "**Redemption Notice**"); and

The following Paragraph (b) shall apply to all Certificates issued through the Swedish CSD

(b) deliver the Certificates to the Principal Paying Agent (i) by an irrevocable order to transfer the Certificates from its account to the Principal Paying Agent's custody account with the Issuing & Paying Agent or (ii) as otherwise instructed by the Principal Paying Agent.

The following Paragraph (b) shall apply to all Certificates issued through the Norwegian CSD

(b) deliver the Certificates to the Principal Paying Agent by (i) an irrevocable order to the Principal Paying Agent to transfer the Certificates from its account with the Principal Paying Agent or (ii) by transfer of the Certificates to the account of the Principal Paying Agent with VPS**.**

The following Paragraph (b) shall apply to all Certificates issued through the Danish CSD

(b) deliver the Certificates to the Principal Paying Agent by transfer of the Certificates from the account of the Certificateholder with VP to the account of the Principal Paying Agent with VP.

The following Paragraph (b) shall apply to all Certificates issued through the Finnish CSD

(b) deliver the Certificates to the Principal Paying Agent by (i) an irrevocable order to the Principal Paying Agent to transfer the Certificates from its account with the Principal Paying Agent or by (ii) transfer of the Certificates to the account of the Principal Paying Agent.

(4) The Redemption Notice must be received by the Principal Paying Agent not later than 20 Banking Days (paragraph 6) prior to such Redemption Date. A Redemption Notice received by the Principal Paying Agent shall be binding and irrevocable. It has to be in the form available at the Principal Paying Agent or informal if accepted by the Principal Paying Agent. An informal Redemption Notice has to contain the information requested in such form. A Redemption Notice which does not fulfill the above requirements may be held invalid by the Principal Paying Agent. The decision of the Principal Paying Agent whether or not to accept a Redemption notice shall be valid and binding on the Issuer and the relevant Certificateholder.

(5) If the number of Certificates requested for redemption deviates from the number of Certificates received by the Paying Agent, the Redemption Notice shall only be valid for a number of Certificates equal to the smaller of the two numbers. Any Certificates transferred in excess of this number shall be transferred back to the Certificateholder at its own expense and risk.

(6) For the purposes of these Terms and Conditions the following definitions shall apply:

[insert applicable definitions including relating to redemption dates, Underlying and regarding redemption by way of payment of Final Redemption Amount (including its definition) and/or redemption by way of delivery and/or additional definitions and/or other aspects, if appropriate]

The following paragraph (7) shall apply only to Certificates in relation to which the number of Certificates redeemable on a single Redemption Date is limited

[(7) In case the number of Certificates validly requested for redemption on a specific Redemption Date (the "**Original Redemption Date**") exceeds **[insert details]** the Issuer will not be obligated to redeem the Certificates validly delivered for redemption on such Redemption Date. In such event the Issuer **[**is entitled to postpone the redemption of the Certificates validly delivered for redemption until the Redemption Date immediately following the Original Redemption Date**] [●]**. The Issuer shall publish any postponement of the redemption of the Certificates from the Original Redemption Date to the immediately following Redemption Date in accordance with § 13 without undue delay following the Original Redemption Date.**]**
[alternatively: insert other provisions relating to the redemption and/or other aspects, if appropriate]

§ 3
(TERMINATION BY THE ISSUER)

The following paragraph (1) shall apply if the tax gross-up clause of § 6 is <u>not</u> selected and if the Certificates contain an extraordinary redemption right with reference to an underlying pursuant to § 7

(1) The Issuer shall, in addition to the extraordinary right to redeem the Certificates in accordance with § 7 paragraph **[**(1)/(3)**]**, be entitled to terminate the Certificates in whole but not in part **[insert applicable provisions]** (each a "**Termination Date**") (the "**Termination by the Issuer**").
[The first Termination Date shall be **[●]]**.

The following paragraph (1) shall apply if the tax gross-up clause of § 6 is <u>not</u> selected and if the Certificates do <u>not</u> contain an extraordinary redemption right with reference to an underlying pursuant to § 7

(1) The Issuer shall be entitled to terminate the Certificates in whole but not in part **[insert applicable provisions]** (each a "**Termination Date**") (the "**Termination by the Issuer**").
[The first Termination Date shall be **[●]]**.

The following paragraph (1) shall apply if the tax gross-up clause of § 6 is selected and if the Certificates contain an extraordinary redemption right with reference to an underlying pursuant to § 7

(1) The Issuer shall, in addition to the extraordinary right to redeem the Certificates **[**in accordance with § 7 paragraph **[**(1)/(3)**]** and § 6 paragraph (3), be entitled to terminate

the Certificates in whole but not in part **[insert applicable provisions]** (each a "**Termination Date**") (the "**Termination by the Issuer**").
[The first Termination Date shall be **[●]]**.

The following paragraph (1) shall apply if the tax gross-up clause of § 6 is selected and if the Certificates do <u>not</u> contain an extraordinary redemption right with reference to an underlying pursuant to § 7

(1) The Issuer shall, in addition to the extraordinary right to redeem the Certificates in accordance with § 6 paragraph (3), be entitled to terminate the Certificates in whole but not in part **[insert applicable provisions]** (each a "**Termination Date**") (the "**Termination by the Issuer**").
[The first Termination Date shall be **[●]]**.

The following paragraphs shall apply to all Certificates

(2) The Termination by the Issuer has to be notified **[**at the least **[●]** prior to the respective Termination Date**][other provisions]** in accordance with § 13. Such notification is irrevocable and must include the Termination Date.

(3) Following the Termination by the Issuer of the Certificates each Certificate shall be redeemed on the Termination Date**[**, subject to postponement in accordance with § 7 (●)**] [**at the Final Redemption Amount as determined, *mutatis mutandis*, according to § 2 paragraph (2), where the Valuation Date shall be **[insert applicable provisions]** prior to the Termination Date.]
[*alternatively:* insert applicable provisions including formula(e) and/or provisions regarding redemption by way of payment of Final Redemption Amount (including its definition) and/or redemption by way of delivery and/or additional definitions and/or other aspects, if appropriate]

(4) Upon notification of the Termination by the Issuer of the Certificates by the Issuer the right of the Certificateholders to request the redemption of the Certificates in accordance with § 2 shall expire.

The following § 4 shall apply if the tax gross-up clause of § 6 is selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF CERTIFICATES)

The following paragraph (1) shall apply to all Certificates which do <u>not</u> contain an early redemption right with reference to an underlying pursuant to § 7

(1) If the Certificates are called for redemption due to an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, the Certificates shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be determined as follows: **[insert applicable provisions]**

The following paragraph (1) shall apply to all Certificates which contain an early redemption right with reference to an underlying pursuant to § 7

(1) If the Certificates are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1) / (3)**]** or an event having occurred as described in § 6 paragraph (3) or in § 11, as the case may be, they shall be redeemed

at the early redemption amount (the "**Early Redemption Amount**") which shall be calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Certificates at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Certificates will terminate upon the payment of the Early Redemption Amount

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and/or other amount(s) and/or formula(e) and/or additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph shall apply to all Certificates

(2) The Issuer may at any time purchase Certificates in the market or otherwise. Certificates repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 4 shall apply if the tax gross-up clause of § 6 is <u>not</u> selected

§ 4
(EARLY REDEMPTION, REPURCHASE OF CERTIFICATES)

The following paragraph (1) shall apply to all Certificates which do <u>not</u> contain an early redemption right with reference to an underlying pursuant to § 7

(1) If the Certificates are called for redemption due to an event having occurred as described in § 11 the Certificates shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be determined as follows: **[insert applicable provisions]**

The following paragraph (1) shall apply to all Certificates which contain an early redemption right with reference to an underlying pursuant to § 7

(1) If the Certificates are called for redemption due to the occurrence of an Extraordinary Event in accordance with § 7 paragraph **[**(1) / (3)**]** or an event having occurred as described in § 11, as the case may be, they shall be redeemed at the early redemption amount (the "**Early Redemption Amount**") which shall be calculated by the Issuer **[**in its reasonable discretion (§ 315 of the German Civil Code) - after consultation with an independent expert if the Issuer deems necessary - as the fair market value of the Certificates at the date as determined by the Issuer in the notification of the termination**][insert other applicable provision]**. The rights arising from the Certificates will terminate upon the payment of the Early Redemption Amount

[Insert applicable provisions, including but not limited to early termination trigger event(s), definitions of Early Redemption Date(s) and Automatic Early Redemption Amount(s) and/or other amount(s) and/or formula(e) and/or additional definitions and/or provisions regarding market disruption, settlement disruption, adjustment clauses and/or other aspects, if appropriate]

The following paragraph shall apply to all Certificates

(2) The Issuer may at any time purchase Certificates in the market or otherwise. Certificates repurchased by or on behalf of the Issuer may be held by the Issuer, re-issued, resold or surrendered to the Principal Paying Agent for cancellation.

The following § 5 shall apply to all Certificates in the case of cash settlement only

§ 5
(PAYMENTS)

(1) The Issuer irrevocably undertakes to pay, as and when due, all amounts payable pursuant to these Terms and Conditions in the Issue Currency.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Swedish CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made to the Certificateholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be transmitted by the Clearing System to the Certificateholders in accordance with the Swedish CSD Rules. Any payment from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Norwegian CSD

(2) All amounts payable pursuant to these Terms and Conditions shall be made on the due date to the Certificateholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments will be made by the Norwegian Paying Agent to the Certificateholders through the facilities provided by the VPS in accordance with the Norwegian CSD Rules. Any payment in accordance with the Norwegian CSD Rules or pursuant to the VPS's instructions or pursuant to the VPS's instructions and this provision shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following Paragraphs (2) – (3) shall apply to all Certificates issued through the Danish CSD

(2) Payments pursuant to these Terms and Conditions will be made to the persons registered as Certificateholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment and in accordance with the rules and procedures applied and or issued by VP from

time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark.

The following Paragraphs (2) – (3) shall apply to all Certificates issued through the Finnish CSD

(2) **[**All amounts payable pursuant to these Terms and Conditions shall be made to the Certificateholders recorded as such on the first Finnish Business Day before the due date for such payment (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.**]** **[*Alternatively*: Insert applicable provisions in case Certificates are settled as warrant-style products]**

(3) All payments will be transmitted by the Clearing Sytem to the Certificateholders in accordance with the EFi Rules. Any payment from the Issuer in accordance with the EFi Rules shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.

The following paragraph [(4)] shall apply to all Certificates

[(4)**]** If any payment with respect to a Certificate is to be effected on a day other than a Payment Business Day, payment shall be effected on the next following Payment Business Day. In this case, the relevant Certificateholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) ***/*** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraph [(5)] applies if the tax gross-up clause of § 6 is selected

[(5)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Certificateholders in respect of such payments.

The following paragraph [(5)] applies if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(6)] shall apply to all Certificates

[(6)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, payments not claimed by Certificateholders within 12 months after its respective due date, even though the respective Certificateholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Certificateholders against the Issuer shall cease.

The following § 5 shall apply to all Certificates in the case there is cash settlement and delivery

§ 5
(PAYMENTS; DELIVERY OF [THE UNDERLYING] [•])

[(1) The Issuer irrevocably undertakes to pay in the Issue Currency, as and when due, all amounts payable or to deliver, as and when due, **[**the Underlying**]** **[•]** pursuant to these Terms and Conditions.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Swedish CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made to the Certificateholders recorded as such on the fifth business day (as defined by the then applicable Swedish CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be transmitted by the Clearing System to the Certificateholders in accordance with the Swedish CSD Rules. Any payment or delivery from the Issuer in accordance with the Swedish CSD Rules shall release the Issuer from its payment or delivery obligations under the Certificates in the amount of such payment or in the number of **[**such Underlying**][•]** deliverable.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Norwegian CSD

(2) Payment and delivery obligations under these Terms and Conditions shall be made on the due date to the Certificateholders recorded as such on the tenth business day (as defined by the then applicable Norwegian CSD Rules) before the due date for such payment or delivery, or such other business day falling closer to the due date as then may be stipulated in said Rules.

(3) All payments and deliveries will be transmitted by the VPS to the Certificateholders in accordance with the Norwegian CSD Rules. Any payment or delivery in accordance with the Norwegian CSD Rules to the VPS or pursuant to the VPS´s instruction shall release the Issuer from its payment or delivery obligations under the Certificates in the amount of such payment or in the number of **[**such Underlying**]** **[•]** deliverable.

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Danish CSD

(2) Payment and delivery obligations pursuant to these Terms and Conditions will be made to the persons registered as Certificateholders in the system operated by VP on the fifth Danish Business Day (or such other day which may become customary on the Danish bond market, which in respect of certain securities issued and cleared through VP is expected to be the third Danish Business Day) before the due date for such payment or delivery and in accordance with the rules and procedures applied and or issued by VP from time to time. As used herein, **Danish Business Day** means a day on which commercial banks and foreign exchange markets are open for business in Denmark."

The following paragraphs (2) – (3) shall apply to all Certificates issued through the Finnish CSD

(2) **[**Payments and delivery obligations under these Terms and Conditions shall be made to the Certificateholders recorded as such on the first Finnish Business Day before the due date for such payment or delivery (or otherwise in accordance with the EFi Rules as in force from time to time). For the purposes of this paragraph, a **Finnish Business Day** shall mean any day on which commercial banks are open for general business in Helsinki.**]** **[*Alternatively*: Insert applicable provisions in case Certificates are settled as warrant-style products]**

(3) All payments and deliveries will be transmitted by the Clearing System to the Certificateholders in accordance with the EFi Rules. Any payment or delivery from the Issuer in accordance with the EFi Rules shall release the Issuer from its delivery obligations under the Certificates in the number of such Underlying deliverable.

The following paragraph [(4)] shall apply to all Certificates

[(4)**]** If any payment and/or any delivery with respect to a Certificate is to be effected on a day other than a Payment Business Day, payment and/or delivery shall be effected on the next following Payment Business Day. In this case, the relevant Certificateholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.

"**Payment Business Day**" means a day **[**on which the Trans-European Automated Real-Time Gross settlement Express Transfer system (TARGET-System) ***/*** (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets in **[city]]** and the Clearing System settle payments in the Issue Currency.

The following paragraph [(5)] shall apply if the tax gross-up clause of § 6 is selected

[(5)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of § 6. No commission or expense shall be charged to the Certificateholders in respect of such payments and/or deliveries.

The following paragraph [(5)] shall apply if the tax gross-up clause of § 6 is <u>not</u> selected

[(5)**]** All payments and/or deliveries are subject in all cases to any applicable fiscal or other laws, regulations and directives.

The following paragraph [(6)] shall apply to all Certificates

[(6)**]** The Issuer may deposit with the local court (*Amtsgericht*), Frankfurt am Main, any amounts payable and/or any deliveries not claimed by Certificateholders within 12 months after its respective due date, even though the respective Certificateholders may not be in default of acceptance. If and to the extent that the deposit is made under waiver of the right of withdrawal, the respective claims of the respective Certificateholders against the Issuer shall cease.**]**

[*Alternatively*: Insert applicable provisions]

The following § 5 shall apply to all Certificates in the case there is delivery

§ 5
(DELIVERY OF [THE UNDERLYING] [•])

[insert applicable provisions]

§ 6
(TAXES)

The following paragraph shall apply only to Certificates with respect to which the Certificateholder has to pay taxes, fees or other duties (Certificateholder tax responsibility clause)

All present and future taxes, fees or other duties in connection with the Certificates shall be borne and paid by the Certificateholders. The Issuer is entitled to withhold from payments to be made under the Certificates any taxes, fees and/or duties payable by the Certificateholder in accordance with the previous sentence.

The following paragraphs shall apply only to Certificates with respect to which the Certificateholder does not have to pay taxes, fees or other duties under certain circumstances (tax gross-up clause)

(1) All amounts payable under the Certificates will be paid without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein, unless the Issuer is compelled by a law or other regulation to deduct or withhold such taxes, duties or governmental charges. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts after such deduction or withholding shall equal the amounts that would have been payable if no such deduction or withholding had been made.

(2) No Additional Amounts shall be payable pursuant to paragraph (1) with respect to taxes, duties or governmental charges

(a) for which a Certificateholder is liable because of a connection with the Federal Republic of Germany or another **[**member state of the European Union**][**state that is part of the European Economic Area**]** other than the mere fact of his being the holder of the Certificates;

(b) to which the Certificateholder would not be subject if he had presented his Certificates for payment within 30 days from the due date for payment, or, if the necessary funds were not provided to the Principal Paying Agent or any other Paying Agent appointed pursuant to § 10 when due, within 30 days from the date on which such funds are provided to the Paying Agents and a notice to that effect has been published in accordance with § 13;

(c) which would not be payable if the Certificates had been kept in safe custody with, and the payments had been collected by, a credit institution;

(d) which are deducted or withheld by a Paying Agent, if the payment could have been made by another Paying Agent without such deduction or withholding;

(e) which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or another member state of the European Union or the European Union is party, or (iii) any provision of law implementing or complying with, or introduced to conform with, such Directive, regulation, treaty or understanding;

(f) which are payable by any person acting as custodian bank or collecting agent on behalf of a Certificateholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it;

(g) which are deducted or withheld, even if the deduction or withholding has to be made by the Issuer or its representative, pursuant to the provisions of the definitive flat tax regime (*Abgeltungsteuer*) according to German tax law on certain investment income as from January 1, 2009; or

(h) which are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § 13.

(3) If at any future time as a result of a change of the laws applicable in the Federal Republic of Germany or a change in their official application, the Issuer is required, or at the time of the next succeeding payment due will be required, to pay Additional Amounts as provided in § 6 paragraph (1) the Issuer will be entitled, upon not less than 30 days' and not more than 60 days' notice to be given by publication in accordance with § 13, to redeem all Certificates at the Early Redemption Amount. No redemption pursuant to this § 6 paragraph (3) shall be made more than 30 days prior to the date on which such change of the laws or their official application becomes applicable to the Certificates for the first time.

The following § 7 shall apply to all Certificates with reference to a share and shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION[; SETTLEMENT DISRUPTION][•])

(1) If in the opinion of the Calculation Agent (§ 10) an Adjustment Event or an Extraordinary Event (both as defined below) has occurred, the Issuer is entitled to make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter. If in the opinion of the Calculation Agent an Extraordinary Event has occurred, the Issuer is entitled, but not obligated, to (instead of an adjustment) terminate and redeem the Certificates prematurely at the Early Redemption Amount (§ 4 paragraph (1)) by giving notice in accordance with § 13.

(2) In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Related Exchange (as defined below). In the event that options or futures contracts relating to the Underlying are not traded on the Related Exchange, the Issuer is entitled, but not

obligated, to take into consideration the manner in which adjustments would be made by the Related Exchange if such options or futures contracts were traded on the Related Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Related Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code).

(3) Any of the before-mentioned adjustments may, among others, relate to **[parameters]** and may result in the Underlying being replaced by other securities, a basket of securities and/or cash, and another stock exchange being determined as the Exchange. However, the Issuer is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(4) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Related Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Related Exchange if such options or futures contracts were traded on the Related Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date / **insert other valuation time]** the **[Price]** of the Underlying is not determined and published by the Exchange, or if on the **[**the Valuation Date / **insert other valuation time]**, in the opinion of the Calculation Agent, a Market Disruption Event with respect to the Underlying occurs, then the next following calendar day on which the **[Price]** is again determined and published by the Exchange and on which there is no Market Disruption Event with respect to the Underlying will be deemed to be the **[**the Valuation Date / **insert other valuation time]**.

If according to the before-mentioned provisions the **[**the Valuation Date / **insert other valuation time]** is postponed until the second Exchange Business Day prior to the Redemption Date or the Termination Date, as applicable, and if on such date the **[Price]** of the Underlying is still not determined and published by the Exchange or if a Market Disruption Event occurs or is continuing on such date, such date prior to the Redemption Date or the Termination Date, as applicable, shall be deemed to be the relevant **[**the Valuation Date / **insert other valuation time]**, and the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code) and in consideration of the prevailing market conditions, estimate the **[Price]** of the Underlying on such date and make a notification in accordance with § 13.

The following paragraph (6) shall apply to all Certificates with delivery obligations

[(6)**]** **[**If the Issuer is required to deliver the Delivery Amount and if, in the opinion of the Calculation Agent, a Settlement Disruption Event occurs or is continuing on the Redemption Date or the Termination Date, as applicable, then the delivery of the Delivery Amount shall be postponed to the first following Exchange Business Day on which there is no Settlement Disruption Event (the "**Postponed Settlement Date**"). In no event shall the Postponed Settlement Date be later than the fifth Exchange Business Day following the Redemption Date or the Termination Date, as applicable. If the Settlement Disruption Event is continuing on the fourth Exchange Business Day following the Redemption Date or the Termination Date, as applicable, then (i) the Postponed Settlement Date shall be the fifth Exchange Business Day following the

Redemption Date or the Termination Date, as applicable, and (ii) the Issuer shall have the right to pay a cash equivalent redemption amount (the "**Cash Equivalent Redemption Amount**"), in lieu of the delivery of the Delivery Amount, to the Certificteholder. In the event of a payment of a Cash Equivalent Redemption Amount § 5 paragraph 4 of these Terms and Conditions shall apply *mutatis mutandis*. This Cash Equivalent Redemption Amount will be determined by the Issuer in its reasonable discretion (§ 315 of the German Civil Code).

All determinations made by the Issuer and/or the Calculation Agent pursuant to this paragraph shall be notified to the Certificateholder in accordance with § 13. The Certificateholder will not be entitled to any compensation from the Issuer for any loss suffered as a result of the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

The following paragraphs shall apply to all Certificates with reference to a share or shares

[(7)**]** For the purposes of this § 7 the following definitions shall apply:

"**Adjustment Event**" means:

(a) any of the following actions taken by the Company: capital increases through issuance of new shares against capital contribution and issuance of subscription rights to the shareholders, capital increases out of the Company's reserves, issuance of securities with option or conversion rights related to the Underlying, distributions of extraordinary dividends, stock splits or any other split, consolidation or alteration of category (as long as this does not constitute a merger);

(b) a spin-off of a part of the Company in such a way that a new independent entity is formed, or that the spun-off part of the Company is absorbed by another entity;

(c) the adjustment of options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such adjustment; or

(d) any other adjustment event being economically comparable to the before-mentioned events with regard to their effects.

"**Extraordinary Event**" means any of the following events:

(a) a takeover-bid, i.e. an offer to take over or to swap or any other offer or any other act of an individual person or a legal entity that results in the individual person or legal entity buying, otherwise acquiring or obtaining a right to buy more than 10% of the outstanding shares of the Company as a consequence of a conversion or otherwise, as determined by the Issuer based on notifications to the competent authorities or on other information determined as relevant by the Issuer;

(b) the termination of trading in, or early settlement of, options or futures contracts relating to the Underlying on the Related Exchange or the announcement of such termination or early settlement;

(c) the becoming known of the intention of the Company or of the Exchange to terminate the listing of the Underlying on the Exchange due to a merger by absorption or by creation, a change of legal form into a company without shares or any other reason;

(d) the termination of the listing of the Underlying at the Exchange or the announcement of the Exchange that the listing of the Underlying at the Exchange will terminate immediately or at a later date and that the Underlying will not be admitted, traded or listed at any other exchange, trading system or quotation system immediately following the termination of the listing;

(e) the Issuer and/or its affiliates (§ 15 of the German Stock Corporation Act) are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any transactions or investments that the Issuer considers necessary to hedge its risks resulting from the assumption and performance of its obligations under the Certificates or (ii) to realize, regain or transfer the proceeds resulting from such transactions or investments;

(f) a procedure is introduced or ongoing pursuant to which all shares or the substantial assets of the Company are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;

(g) the application for insolvency proceedings or for comparable proceedings with regard to the assets of the Company according to the applicable law of the Company; or

(h) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Market Disruption Event**" means any material occurrence or existence of any suspension of, or limitation imposed on, trading (by reason of movements in price exceeding the limits permitted by the Exchange or otherwise) in (a) the Underlying on the Exchange, or (b) any options contracts or futures contracts relating to the Underlying on the Related Exchange.

A limitation regarding the office hours or the number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange. A limitation on trading imposed during the course of a day by reason of movements in price exceeding permitted limits shall only be deemed to be a Market Disruption Event in the case that such limitation is still prevailing at the time of termination of the trading hours on such date.

["**Settlement Disruption Event**" means an event, **[**(a)**]** which, in the opinion of the Calculation Agent, is beyond the control of the Issuer and as a result of which the Issuer cannot deliver or cannot procure the delivery of the Delivery Amount **[**or, (b) if it is impossible to deliver the Delivery Amount to the Certificateholders under the applicable **[insert applicable CSD Rules]** irrespective of when such rules have been introduced**].]] [*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]**

The following § 7 shall apply to Certificates with reference to an index consisting of shares

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If the Index is no longer calculated and published by the Index Sponsor but by another person, company or institution acceptable to the Issuer as the new Index Sponsor (the "**Successor Sponsor**"), the redemption of the Certificates will be determined on the basis of the Index being calculated and published by the Successor Sponsor and any reference made to the Index Sponsor shall, if the context so admits, then refer to the Successor Sponsor.

(2) If at any time the Index is cancelled or replaced, the Calculation Agent (§ 10) will determine another index on the basis of which the redemption of the Certificates will be determined (the "**Successor Index**"). The respective Successor Index as well as the time of its first application will be notified as soon as possible pursuant to § 13. Any reference made to the Index in these Terms and Conditions shall, if the context so admits, then refer to the Successor Index.

(3) If in the opinion of the Calculation Agent (i) the determination of a Successor Index in accordance with the above paragraph is not possible or (ii) if the Index Sponsor materially modifies the calculation method of an Index with effect on or before the **[**the Valuation Date / **insert other valuation time]**, or materially modifies the Index in any other way (except for modifications which are contemplated in the calculation method of the Index relating to a change with respect to securities comprising the Index or with respect to any other routine measures) (each of such events an "**Extraordinary Event**"), then the Issuer is entitled to (a) continue (itself or through an independent expert determined by the Issuer) the calculation of the Index on the basis of the former concept of the Index and its last determined level or (b) to (instead of a continuation of the calculation of the Index) terminate and redeem the Notes prematurely at the Early Redemption Amount (§ 4 paragraph (1)) by giving notice in accordance with § 13.

(4) Adjustments take effect as from the date determined by the Issuer. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(5) If on **[**the Valuation Date / **insert other valuation time]** a **[Price]** of the Index is not determined and published or if in the opinion of the Calculation Agent there is a Market Disruption Event with regard to the Index on **[**the Valuation Date / **insert other valuation time]**, then **[**the Valuation Date / **insert other valuation time]** shall be postponed to the next calendar day on which the **[Price]** of the Index is again determined and published and on which there is no Market Disruption Event.

If according to the provisions above **[**the Valuation Date / **insert other valuation time]** is postponed until the second [Exchange] [•] Business Day prior to the Redemption Date or the Termination Date, as applicable, and if on this day the **[Price]** of the Index is still not determined and published or if, in the opinion of the Calculation Agent, a Market Disruption Event occurs with regard to the Index, then the Calculation

Agent will calculate the Index on such date by applying the calculation method for the Index last in effect.

For the purpose of such calculation, the Calculation Agent will calculate the closing level of the Index on the basis of the prices of the securities comprising the index on such day at the time the **[Price]** of the Index is usually determined (the "**Calculation Time**"). If the trading of one or more securities being relevant for such calculation is limited or suspended on such date, the Calculation Agent will, in its reasonable discretion (§ 315 of the German Civil Code (BGB)) and in consideration of the prevailing market conditions estimate the price of the relevant securities at the Calculation Time and make a notification in accordance with § 13.

[(6)] **[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]**

The following § 7 shall apply to Certificates with reference to a commodity or commodities

[§ 7
(ADJUSTMENTS; MARKET DISRUPTION [•])

(1) If in the opinion of the Calculation Agent (§ 10) an Extraordinary Event (as defined below) has occurred, the Issuer is entitled to either (i) make adjustments to the Terms and Conditions taking into consideration the provisions set forth hereinafter, or (ii) to (instead of an adjustment) terminate and redeem the Certificates prematurely at the Early Redemption Amount (§ 4 paragraph (1)) by giving notice in accordance with § 13. In making adjustments to the Terms and Conditions, the Issuer is entitled, but not obligated, to take into consideration the adjustments made to options or futures contracts relating to the Underlying that are traded on the Exchange. If the Issuer makes adjustments without taking into consideration the manner in which adjustments are or would be made by the Exchange, the Issuer shall make the adjustments in its reasonable discretion (§ 315 of the German Civil Code). Any of the before-mentioned adjustments may, among others, relate to **[**the Strike Price, the Multplier etc.**] [other parameters]** and may result in the Futures Contract being replaced by other futures contracts, a basket of futures contracts and/or cash, and another exchange being determined as the Exchange.

However, the Issuer is not obligated to make an adjustment and it is also entitled to make other adjustments taking into consideration the before-mentioned principles.

(2) Adjustments take effect as from the date determined by the Issuer, provided that (in case the Issuer takes into consideration the manner in which adjustments are or would be made by the Exchange) the Issuer shall take into consideration the date at which such adjustments take effect or would take effect on the Exchange. Adjustments as well as the effective date shall be notified by the Issuer in accordance with § 13.

(3) If on the Valuation Date in the opinion of the Calculation Agent a **[Price]** of the Futures Contract is not determined and published or if a Trading Disruption with respect to the Futures Contract occurs, then the next following calendar day on which a **[Price]** of the Futures Contract is again determined and published and on which a

Trading Disruption does not occur will be deemed to be the Valuation Date for the Futures Contract.

(4) If according to the before-mentioned provisions the Valuation Date is postponed until the second Exchange Business Day prior to the Redemption Date or the Termination Date, as applicable, and if on such date a **[Price]** of the Futures Contract is still not determined and published or if a Trading Disruption occurs or is continuing on such date, such second Exchange Business Day prior to the Redemption Date or the Termination Date, as applicable, shall be deemed to be the relevant Valuation Date, and the Calculation Agent will, in its reasonable discretion (§ 315 German Civil Code (BGB)) and in consideration of the prevailing market conditions estimate the **[Price]** of the Futures Contract on such date and make a notification in accordance with § 13.

(5) For the purposes of this § 7 the following definitions shall apply:

"**Disappereance of Reference Price**" means (A) the permanent discontinuation of trading, in the Futures Contract on the Exchange; (B) the disappearance of, or of trading in, the Commodity; or (C) the disappearance or permanent discontinuance or unavailability of a **[Price]**, notwithstanding the availability of the Price Source or the status of trading in the Futures Contract or the Commodity.

"**Extraordinary Event**" means the occurrence of any of the following events:

(a) Price Source Disruption; or

(b) rading Disruption; or

(c) Disappereance of Reference Price; or

(d) Material Change in Content; or

(e) Tax Disruption; or

(f) any other event being economically comparable to the before-mentioned events with regard to their effects.

"**Material Change in Content**" means the occurrence of a material change in the content, composition or constitution of the Commodity or the Futures Contract.

"**Price Source Disruption**" means (A) the failure of the Price Source to announce or publish the relevant **[Price]** (or the information necessary for determining the **[Price]**); or (B) the temporary or permanent discontinuance or unavailability of the Price Source.

"**Tax Disruption**" means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, a Commodity (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the **[Price]**.

"**Trading Disruption**" means the material suspension of, or the material limitation imposed on, trading in the Futures Contract or the Commodity on the Exchange or in any additional futures contract, options contract or commodity on any Exchange. For these purposes:

(A) a suspension of the trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if:

(1) all trading in the Futures Contract or the Commodity is suspended for the entire Exchange Business Day; or

(2) all trading in the Futures Contract or the Commodity is suspended subsequent to the opening of trading on the Exchange Business Day, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Commodity on such Exchange Business Day and such suspension is announced less than one hour preceding its commencement; and

(B) a limitation of trading in the Futures Contract or the Commodity on any Exchange Business Day shall be deemed to be material only if the Exchange establishes limits on the range within which the price of the Futures Contract or the Commodity may fluctuate and the closing or settlement price of the Futures Contract or the Commodity oh such day is at the upper or lower limit of that range.]

[*Alternatively:* Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates.]

The following § 7 shall apply to Certificates with reference to other underlyings

[§ 7
([ADJUSTMENTS][; MARKET DISRUPTION] [•])

Insert applicable provisions including adjustment clauses, market disruption clauses, settlement disruption clauses and/or other aspects, if applicable to such Certificates

§ 8
(PRESCRIPTION)

The following paragraph shall apply to all Certificates

The prescription period for claims against the Issuer for the payment of principal shall be ten (10) years from the due date for such payment.

The following paragraph shall be added to all Certificates issued through the Danish CSD

Claims against the Issuer for the payment in respect of such Certificates shall in accordance with Section 73 of the Danish Securities Trading Act be time-barred unless made within ten (10) years after the due date therefore and thereafter any amounts payable in respect of such Certificates shall be forfeited and revert to the Issuer.

§ 9
(STATUS)

The obligations under the Certificates constitute direct, unconditional and unsecured obligations of the Issuer and rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Issuer (save for such exceptions as may exist from time to time under applicable law).

§ 10
(AGENTS)

The following paragraph (1) shall apply to all Certificates

(1) **[**Commerzbank Aktiengesellschaft **[address]] [other bank]]** shall be the "**Principal Paying Agent**"**[**.**]**

The following paragraph shall be added to paragraph (1) in relation to Certificates issued through the Norwegian CSD or Finnish CSD

and **[insert details of Norwegian Paying Agent that is an authorised VPS account operator / details of Finnish Paying Agent]** shall be appointed as the **[**"**Norwegian Paying Agent**" **/** "**Finnish Paying Agent"]**.

The following paragraph shall be added to paragraph (1) in relation to Certificates issued through the Swedish CSD

and **[insert details of Swedish Issuing and Paying Agent]** shall be appointed as the **[**"**Issuing and Paying Agent**"**]**.

The following paragraph shall be added to paragraph (1) in relation to Certificates which are <u>not</u> listed on a stock exchange requiring a local Paying Agent other than Certificates issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent.

The following paragraph shall be added to paragraph (1) in relation to Certificates which are listed on a stock exchange requiring a local Paying Agent other than Certificates issued through the Finnish CSD

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Certificates are listed on the **[exchange]** there will at all times be a Paying Agent in **[city].**

The following paragraph shall be added to paragraph (1) in relation to Certificates which are issued through the Finnish CSD¶

The Issuer shall procure that there will at all times be a Principal Paying Agent and that as long as Certificates are issued through the Clearing System there will at all times be a Paying Agent in [Helsinki,] Finland.

The following paragraph shall be added to paragraph (1) in relation to Certificates with respect to which an additional Paying Agent has <u>not</u> been appointed

The Issuer is entitled to appoint other banks of international standing as additional paying agents (each, a "**Paying Agent**"; the Principal Paying Agent **[**, the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any additional Paying Agent together the "**Paying Agents**"). Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent **[**as well as of individual Paying Agents**]**. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent **[**or Paying Agent**]**, the Issuer shall appoint another bank of international standing as Principal Paying Agent **[**or Paying Agent, as the case may be**]**. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraph shall be added to paragraph (1) in relation to Certificates with respect to which an additional Paying Agent has been appointed

[Commerzbank International S.A. **[address] / [**and**] [other bank(s)]]** shall be appointed as additional Paying Agent**[**s**]** (**[**each, a**] [**the**]** "**Paying Agent**"; the Principal Paying Agent **[**, the Norwegian Paying Agent **/** the Finnish Paying Agent **/** the Issuing and Paying Agent**]** and any Paying Agent together the "**Paying Agents**"). The Issuer is entitled to appoint other banks of international standing as additional paying agents. Furthermore, the Issuer is entitled to terminate the appointment of the Principal Paying Agent as well as of individual Paying Agents. In the event of such termination or such bank being unable or unwilling to continue to act as Principal Paying Agent or Paying Agent, the Issuer shall appoint another bank of international standing as Principal Paying Agent or Paying Agent, as the case may be. Such appointment or termination shall be published without undue delay in accordance with § 13.

The following paragraphs (2) – (4) shall apply to all Certificates which are not issued through the Danish CSD

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent acting in such capacity, act only as agents of the Issuer. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent on

the one hand and the Certificateholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country.

The following paragraphs (2) – (5) shall apply only to Certificates which are issued through the Danish CSD

(2) **[**Commerzbank Aktiengesellschaft **[address] / [other bank]]** shall be the "**Calculation Agent**". The Issuer shall procure that as long as determinations have to be made in accordance with these Terms and Conditions there shall at all times be a Calculation Agent. The Issuer reserves the right at any time to terminate the appointment of the Calculation Agent. In the event of such termination or of the appointed office of any such bank being unable or unwilling to continue to act as Calculation Agent (as the case may be) the Issuer shall appoint an appropriate office of another leading bank to act Calculation Agent. The appointment of another Calculation Agent shall be published without undue delay by the Issuer in accordance with § 13.

(3) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be held responsible for giving, failing to give, or accepting a declaration, or for acting or failing to act, only if, and insofar as, they fail to act with the diligence of a conscientious businessman. All determinations and calculations made by the **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent shall be made in conjunction with the Issuer.

(4) The Issuer will in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time, appoint (i) VP as the central securities depository, and (ii) **[insert details of Danish issuing agent]** as the "**Issuing Agent**".

The Issuer is entitled to vary or terminate the appointment of VP or the Issuing Agent, provided that the Issuer shall appoint another central securities depository or Issuing Agent, each of them to be duly authorised under the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time. The appointment of another central securities depository or Issuing Agent shall be published without undue delay by the Issuer in accordance with § 13.

(5) The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent, acting each in such capacity, and the central securities depository and the Issuing Agent act only as agents of the Issuer and do not assume any obligations to any Certificateholders. There is no agency or fiduciary relationship between the **[**Principal Paying Agent **/** Paying Agents**],** the Calculation Agent, the central securities depository and the Issuing Agent on the one hand and the Certificateholders on the other hand. The **[**Principal Paying Agent **/** Paying Agents**]** and the Calculation Agent are hereby granted exemption from the restrictions of § 181 of the German Civil Code and any similar restrictions of the applicable laws of any other country**.**

§ 11
(TERMINATION)

(1) Each Certificateholder is entitled to declare his Certificates due and to require the redemption of his Certificates at the Early Redemption Amount pursuant to § 4 paragraph (1) as provided hereinafter, if:

(a) the Issuer is in default for more than 30 days in the payment of any amount **[to be added if Certificates contain a delivery obligation:** and/or any delivery**]** due under these Terms and Conditions;

(b) the Issuer violates any other obligation under these Terms and Conditions, and such violation continues for 60 days after receipt of written notice thereof from the respective Certificateholder;

(c) the Issuer is wound up or dissolved whether by a resolution of the shareholders or otherwise (except in connection with a merger or reorganisation in such a way that all of the assets and liabilities of the Issuer pass to another legal person in universal succession by operation of law);

(d) the Issuer ceases its payments and this continues for 60 days, or admits to be unable to pay its debts;

(e) any insolvency proceedings are instituted against the Issuer which shall not have been dismissed or stayed within 60 days after their institution or the Issuer applies for the institution of such proceedings, or offers or makes an arrangement for the benefit of its creditors or the Federal Financial Supervisory Authority (BaFin) opens insolvency proceedings against the Issuer; or

(f) in the case of a substitution of the Issuer within the meaning of § 12 paragraph (4)(b) any of the events set forth in sub-paragraphs (c)-(e) above occurs in respect of the Guarantor.

The right to declare Certificates due shall terminate if the circumstances giving rise to it have been remedied before such right is exercised.

(2) The right to declare Certificates due pursuant to paragraph (1) shall be exercised by a Certificateholder by delivering or sending by registered mail to the Principal Paying Agent a written notice which shall state the amount of the Certificates called for redemption and shall enclose evidence of ownership reasonably satisfactory to the Principal Paying Agent.

The following § 12 shall apply to all Certificates containing a substitution of Issuer clause

§ 12
(SUBSTITUTION OF ISSUER, BRANCH DESIGNATION)

(1) Any other company may assume at any time during the life of the Certificates, subject to § 12 paragraph (4), without the Certificateholders' consent upon notice by the Issuer given through publication in accordance with § 13, all the obligations of the Issuer under these Terms and Conditions.

(2) Upon any such substitution, such substitute company (hereinafter called the "**New Issuer**") shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under these Terms and Conditions with the same effect as if the New Issuer had been named as the Issuer herein; the Issuer (and, in the case of a repeated application of this § 12, each previous New Issuer) shall be released from its obligations hereunder and from its liability as obligor under the Certificates.

(3) In the event of such substitution, any reference in these Terms and Conditions (except for this § 12) to the "**Issuer**" shall from then on be deemed to refer to the New Issuer and any reference to the country of the corporate seat of the Issuer which is to be substituted (except for the references in § 15 to the Federal Republic of Germany) shall be deemed to refer to the country of the corporate seat of the New Issuer and the country under the laws of which it is organised.

(4) No such substitution shall be permitted unless

(a) the New Issuer has agreed to indemnify and hold harmless each Certificateholder against any tax, duty, assessment or governmental charge imposed on such Certificateholder in respect of such substitution;

(b) the Issuer (in this capacity referred to as the "**Guarantor**") has unconditionally and irrevocably guaranteed to the Certificateholders compliance by the New Issuer with all payment **[**and delivery**]** obligations assumed by it under guarantee terms usually given by the Guarantor with respect to note issues by any of its finance companies and the text of this guarantee has been published in accordance with § 13; **[**and**]**

(c) the New Issuer and the Guarantor have obtained all governmental authorisations, approvals, consents and permissions necessary in the jurisdictions in which the Guarantor and/or the New Issuer are domiciled or the country under the laws of which they are organised **[other applicable provisions]**.

The following paragraph (d) shall apply to all Certificates issued through the Swedish and Norwegian CSD

(d) **[**Euroclear Sweden **/** VPS**]** has given its consent to the substitution (which consent shall not be unreasonably withheld or delayed).

The following paragraphs (5) and (6) shall apply to all Certificates

(5) Upon any substitution of the Issuer for a New Issuer, this § 12 shall apply again.

(6) The Issuer may at any time, designate by publication in accordance with § 13 any branch (*Betriebsstätte*) of the Issuer outside the Federal Republic of Germany as the branch (*Betriebsstätte*) primarily responsible for the due and punctual payment in respect of the Certificates then outstanding and the performance of all of the Issuer's other obligations under the Certificates then outstanding.

Paragraphs (4)(c), (d) and (5) of this § 12 shall apply *mutatis mutandis* to such designation.

The following § 12 shall apply to all Certificates which <u>not</u> contain a substitution of Issuer clause

§ 12
(THIS CLAUSE HAS BEEN LEFT BLANK INTENTIONALLY)

§ 13
(NOTICES)

The following paragraph shall apply only to Certificates which are listed on a stock exchange or offered to the public

Notices relating to the Certificates shall be **[**published**] [●] [**in the electronic federal gazette (*elektronischer Bundesanzeiger*)**] [●] [**and, to the extent legally required,**] [**in a mandatory newspaper designated by a German stock exchange (*Börsenpflichtblatt*)**] [**in a leading daily newspaper of nation-wide circulation in **[country in which the admission to trading is sought]] [**on the website of **[**the stock exchange on which the Certificates are listed**] [**the Issuer**] [**or**]**

The following paragraph shall be added in relation to Certificates issued through the Swedish CSD

[sent (i) to the Certificateholder through the facilities in the Clearing System according to the Swedish CSD Rules, or (ii) to the Certificateholder at the addresses registered in the Clearing System in accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Certificateholders through the facilities in the Clearing System, or (ii) upon receipt after they has been sent to the Certificateholders at the addresses registered in the Clearing System.**] [**in accordance with the rules of the country in which the Certificates are listed**] [insert other applicable provisions]**.

The following paragraph shall be added in relation to Certificates issued through the Norwegian CSD

[sent by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Certificateholders or directly to the Certificateholders, provided this complies with the rules of the stock exchange on which the Certificates are listed. Notices to the Clearing System shall be deemed to be effected seven days after the notification to the Clearing System, direct notices to the Certificateholders shall be deemed to be effected upon their receipt.**] [**in accordance with the rules of the country in which the Certificates are listed**] [insert other applicable provisions]**.

The following paragraph shall be added in relation to Certificates issued through the Danish CSD

[sent (i) to the Certifcateholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Certifcateholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**] [**in accordance with the rules of the country in which the Certificates are listed**] [other applicable provisions].**

The following paragraph shall be added in relation to Certificates issued through the Finnish CSD

[(i) published as a stock exchange release or (ii) sent by mail to each Certificateholder to the address registered for such Certificateholder in the Clearing System. If published as a stock exchange release, any such notice shall be deemed to have been given on the date of such publication (if published more than once or on different dates, on the date of the first publication) or, if sent by mail to the Certificateholders, on the seventh day following the day the notice was sent by mail.**] [**in accordance with the rules of the country in which the Certificates are listed**] [insert other applicable provisions]**.

The following paragraph shall apply only to Certificates which are neither listed on a stock exchange nor offered to the public

Notices relating to the Certificates shall be sent

The following paragraph shall apply to all Certificates issued through the Swedish CSD

[(i) to the Certificateholder through the facilities in the Clearing System according to the Swedish CSD Rules, (ii) to the Certificateholder at the addresses registered in the Clearing System in accordance with the Swedish CSD Rules. Such notices shall be deemed to be effected (i) seven days after they have been sent to the Certificateholders through the facilities in the Clearing System, or (ii) upon receipt after they has been sent to the Certificateholders at the addresses registered in the Clearing System.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Norwegian CSD

[by the Issuer to the Norwegian Paying Agent for communication via the Clearing System to the Certificateholders or directly to the Certificateholders. Notices via the Clearing System shall be deemed to be effected seven days after the notice to the Clearing System, direct notices to the Certificateholders shall be deemed to be effected upon their receipt.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Danish CSD

[(i) to the Certifcateholder through the facilities in the VP in accordance with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time or (ii) to the Certifcateholder at the addresses appearing the register of VP. Notices shall be deemed to be effected seven days after either the notification through the facilities in the VP or the notice was mailed.**] [insert other applicable provisions]**

The following paragraph shall be added in relation to Certificates issued through the Finnish CSD

[by mail to each Certificateholder to the address registered for such Certificateholder in the Clearing System. Any such notice shall be deemed to have been given on the seventh day following the day the notice was sent by mail.**] [insert other applicable provisions]**

§ 14
(FINAL CLAUSES)

(1) The Certificates and the rights and duties of the Certificateholders, the Issuer, the Calculation Agent and the Paying Agents shall in all respects be governed by the laws of the Federal Republic of Germany except for § 1 paragraph (2) to (4) of the Terms and Conditions which shall be governed by the laws of **[**the Kingdom of Sweden**]** **[**the Kingdom of Norway**]** **[**the Kingdom of Denmark**]** **[**the Republic of Finland**]**.

The following sentence shall be added to Paragraph (1) for all Certificates issued through the Danish CSD

Certificates issued through VP must comply with the Danish Securities Trading Act, the Danish VP Registration Order and the procedures applicable to and/or issued by VP from time to time and as amended from time to time

The following paragraphs (2) – (9) shall apply to all Certificates

(2) In the event of manifest typing or calculation errors or similar manifest errors in the Terms and Conditions, the Issuer shall be entitled to declare rescission (*Anfechtung*) to the Certificateholders. The declaration of rescission shall be made without undue delay upon becoming aware of any such ground for rescission (Anfechtungsgrund) and in accordance with § 13. Following a declaration of rescission by the Issuer, the Certificateholder is entitled to request repayment of the Issue Price by delivery of a duly completed redemption notice to the Principal Paying Agent on the form available at the Principal Paying Agent or by providing all information and statements requested therein (the "**Redemption Notice**") and by transfer of the Certificates to the account of the Principal Paying Agent with the Clearing System. The Issuer shall make available the Issue Price to the Principal Paying Agent within [number] calendar days following receipt of the Redemption Notice and of the Certificates by the Principal Paying Agent, whichever receipt is later, whereupon the Principal Paying Agent shall transfer the Issue Price to the account specified in the Redemption Notice. Upon payment of the Issue Price all rights under the Certificates delivered shall expire.

(3) The Issuer may combine the declaration of rescission pursuant to paragraph (2) with an offer to continue the Certificates on the basis of corrected Terms and Conditions. Such an offer and the corrected provisions shall be notified to the Certificateholders together with the declaration of rescission in accordance with § 13. Any such offer shall be deemed to be accepted by a Certificateholder (and the rescission shall not take effect), unless the Certificateholder requests repayment of the Issue Price within four weeks following the date on which the offer has become effective in accordance with § 13 by delivery of a duly completed Redemption Notice to the Principal Paying Agent and by transfer of the Certificates to the account of the Principal Paying Agent with the Clearing System pursuant to paragraph 2. The Issuer shall refer to this effect in the notification.

(4) "**Issue Price**" within the meaning of paragraphs (2) and (3) shall be the actual purchase price paid at the time of the first purchase of the Certificates delivered for repayment [, or (if no purchase price for the first purchase of the Certificates can be determined) the issue price as set forth in the applicable Final Terms relating to the Base Prospectus dated [date]].

(5) Contradictory or incomplete provisions in the Terms and Conditions may be corrected or amended, as the case may be, by the Issuer in its reasonable discretion (§ 315 of the German Civil Code). The Issuer, however, shall only be entitled to make such corrections or amendments which are reasonably acceptable to the Certificateholders having regard to the interests of the Issuer and in particular which do not materially adversely affect the legal or financial situation of the Certificateholders. Notice of any such correction or amendment shall be given to the Certificateholders in accordance with § 13.

(6) If the Certificateholder was aware of typing or calculation errors or similar errors at the time of the acquisition of the Certificates, then, notwithstanding paragraphs (2) - (5), the Certificateholders can be bound by the Issuer to the corrected Terms and Conditions.

(7) Should any provision of these Terms and Conditions be or become void in whole or in part, the other provisions shall remain in force. The void provision shall be replaced by a valid provision that reflects the economic intent of the void provision as closely as possible in legal terms. In those cases, however, the Issuer may also take the steps described in paragraphs (2) to (5) above.

(8) Place of performance is Frankfurt am Main.

(9) Place of jurisdiction **[**shall be Frankfurt am Main, Federal Republic of Germany**] [**other location**] [**for all disputes and other proceedings in connection with the Certificates for merchants, entities of public law, special funds under public law and entities without a place of general jurisdiction in the Federal Republic of Germany is Frankfurt am Main. In such a case, the place of jurisdiction in Frankfurt am Main shall be an exclusive place of jurisdiction**]**.

(10) The English version of these Terms and Conditions shall be binding. Any translation is for convenience only.

FORM OF FINAL TERMS

FINAL TERMS

relating to

COMMERZBANK AKTIENGESELLSCHAFT

[Issue Currency] [Aggregate Principal Amount] [[•] per cent. / Fixed Rate / Step-up / Step-down / Reverse Convertible / Zero Coupon / Floating Rate / Interest Structured / Redemption Structured] Notes of 200[•]/20[•]

issued under the

Scandinavian Notes/Certificates Programme

of

COMMERZBANK AKTIENGESELLSCHAFT

Date of the Final Terms: [•]

Series No.: [•]

Tranche No.: [•] of that Series

This document constitutes the Final Terms relating to the issue of Notes under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**") and shall be read in conjunction with the Base Prospectus dated May 10, 2010 as supplemented from time to time**[**, save in respect of the Programme Terms and Conditions which are extracted from the former base prospectus dated ● and which had been incorporated by reference into the Base Prospectus dated •**]**[5]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus and supplements thereto, if any. The Base Prospectus and any supplements will be available free of charge at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany and at the following website of Commerzbank Aktiengesellschaft (www.commerzbank.com). These Final Terms are available [in the same form] [•] (*in the event of a public offering and/or listing and admission to trading on a regulated market of a member state of the European Economic Area*).

I.
Terms and Conditions:

[6]**[**The Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**") shall be amended by incorporating the terms of the Final Terms, and by deleting all provisions not applicable to the respective Tranche of the respective Series (the "**Consolidated Terms**") in the form attached hereto as Annex 1. The Consolidated Terms shall replace the Programme Terms and Conditions in their entirety. If and to the extent the Consolidated Terms deviate from the Programme Terms and Conditions, the Consolidated Terms shall prevail.**]**

[7]**[**The following terms of the Final Terms amend and supplement the Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**"). If and to the extent the following terms deviate from the Programme Terms and Conditions, the following terms shall prevail. **[add terms]]**

II.
Other Conditions

Issue Date	[date]
Issue Price	[•][8]
[Offer Period	From [•] to [•]. The Offer Period may be extended or shortened.]
[Minimum subscription amount	[•]]
[Maximum subscription amount	

5 This additional language applies if the first tranche of an issue which is being increased was issued under the former Base Prospectus dated ●.

6 Only applicable in case of Consolidated Terms.

7 Only applicable in case of Supplemented Terms.

8 Agio needs to be specified if applicable.

	[•]]
German Securities Identification No.	[•]
Common Code	[•]
ISIN	[•]
	[If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible]
[Other security code(s)	[•]]
Listing	[Yes] [insert exchange] [No]
[Stabilising Agent	[Issuer] [None]]
[Market Making	[•] [insert name and address of entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment]]
[Targeted investor category	[•]]
[Additional Selling Restrictions	The following Selling Restrictions shall apply in addition to the Selling Restrictions set forth in the Prospectus: •]
[9][Additional Risk Factors]	
[10][Additional Taxation Disclosure]	
[Additional further Information	[Consider inclusion of further information to comply with Annex V and/or Annex XII of the Commission Regulation (EC) No 809/2004 of April 29, 2004 (the "**Prospectus Regulation**") if relevant]]
[Ratings:	[The Issuer has been rated as follows: [S & P: [•]] [Moody's: [•]]

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9 Specific additional risk factors if appropriate.

10 Information on taxes on the income from Notes withheld at source in respect of countries where the offer is being made or admission to trading is being sought.

	[[Other]: [•]]
	[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]
	[The Notes to be issued have been rated:
	[S & P: [•]]
	[Moody's: [•]]
	[[Other]: [•]]
	[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]
	[The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]]
[Interests of natural and legal persons involved in the issue/offer	[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.][•]]
Reasons for the offer, estimated net proceeds and total expenses	
[11][(i) Reasons for the offer	[•]]
[(ii)] Estimated net proceeds	[•] [If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.]
[(iii)] Estimated total expenses	[•] [Include breakdown of expenses.] [If the Notes are derivative securities to which Annex XII of the Prospectus Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.]

[11] If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.

[12][Indication of yield:	[•] Calculated as [include details of method of calculation in summary form] on the Issue Date. [As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]]
[Floating Rate Notes only - past and future interest rates	Details of past and future [LIBOR/EURIBOR/other] rates can be obtained from [Telerate][•].]
[13][Interest Structured, Redemption Structured and Reverse Convertible Notes only - performance of and other information concerning the Underlying/Formula(e)/other variable, explanation of effect on value of investment and associated risks]	[•] [The information included herein with respect to the underlying to which interest payment/redemption payment [/ delivery] under the Notes are linked [(the "**Underlying**")] [(the "**Underlying Entities**")] consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer. In particular, the Issuer accepts no responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlying [or the Underlying Entities] of the Notes or that there has not occurred any event which would affect the accuracy or completeness of such information.][•]

[12] Only applicable in case of Fixed Rate, Step-up and Step-down Notes and Floating Rate Notes, if a yield can be calculated.

[13] Need to include details of where past and future performance and volatility of the index/formula(e)/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

FORM OF FINAL TERMS (CERTIFICATES WITH FIXED REDEMPTION DATE)

FORM OF FINAL TERMS

FINAL TERMS

relating to

COMMERZBANK AKTIENGESELLSCHAFT

[Number**] [•]** Certificates

issued under the

Scandinavian Notes/Certificates Programme

of

COMMERZBANK AKTIENGESELLSCHAFT

Date of the Final Terms: **[•]**

Series No.: **[•]**

Tranche No.: **[•]** of that Series

This document constitutes the Final Terms relating to the issue of Certificates under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**") and shall be read in conjunction with the Base Prospectus dated May 10, 2010 **[**, save in respect of the Programme Terms and Conditions which are extracted from the former base prospectus dated • and which had been incorporated by reference into the Base Prospectus dated •**]**[14] as supplemented from time to time. Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus and supplements thereto, if any. The Base Prospectus and any supplements will be available free of charge at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany and at the following website of Commerzbank Aktiengesellschaft (www.commerzbank.com). These Final Terms are available [in the same form] [•] (*in the event of a public offering and/or listing and admission to trading on a regulated market of a member state of the European Economic Area*).

I.
Terms and Conditions:

[15]**[**The Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**") shall be amended by incorporating the terms of the Final Terms, and by deleting all provisions not applicable to the respective Tranche of the respective Series (the "**Consolidated Terms**") in the form attached hereto as Annex 1. The Consolidated Terms shall replace the Programme Terms and Conditions in their entirety. If and to the extent the Consolidated Terms deviate from the Programme Terms and Conditions, the Consolidated Terms shall prevail.**]**

[16]**[**The following terms of the Final Terms amend and supplement the Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**"). If and to the extent the following terms deviate from the Programme Terms and Conditions, the following terms shall prevail.**[add terms]]**

II.
Other Conditions

Issue Date	[date]
Issue Price	[•][17]
[Offer Period	From [•] to [•]. The Offer Period may be extended or shortened.]
[Minimum subscription amount	[•]]
[Maximum subscription amount	[•]]
German Securities Identification No.	[•]

[14] This additional language applies if the first tranche of an issue which is being increased was issued under the former Base Prospectus dated ●.

[15] Only applicable in case of Consolidated Terms.

[16] Only applicable in case of Supplemented Terms.

[17] Agio needs to be specified if applicable.

Common Code	[•]
ISIN	[•]
	[If fungible with an existing Series, details of that Series, including the date on which the Certificates become fungible]
[Other security code(s)	[•]]
Listing	[Yes] [insert exchange] [No]
[Stabilising Agent	[Issuer] [None]]
[Market Making	[•]
	[insert name and address of entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment]]
[Targeted investor category	[•]]
[Additional Selling Restrictions	The following Selling Restrictions shall apply in addition to the Selling Restrictions set forth in the Prospectus: •]
[18][Additional Risk Factors]	
[19][Additional Taxation Disclosure]	
[Additional further Information	[Consider inclusion of further information to comply with Annex V and/or Annex XII of the Prospectus Regulation if relevant]]

[18] Specific additional risk factors if appropriate.

[19] Information on taxes on the income from Certificates withheld at source in respect of countries where the offer is being made or admission to trading is being sought.

[Ratings:]	[The Issuer has been rated as follows: [S & P: [•]] [Moody's: [•]] [[Other]: [•]] [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.] [The Notes to be issued have been rated: [S & P: [•]] [Moody's: [•]] [[Other]: [•]] [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.] [The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]]
[Interests of natural and legal persons involved in the issue/offer	[So far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.][•]]
Reasons for the offer, estimated net proceeds and total expenses	
[20][(i) Reasons for the offer	[•]]
[(ii)] Estimated net proceeds	[•] [If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.]
[(iii)] Estimated total expenses	[•] [Include breakdown of expenses.] [It is only necessary to include disclosure

20 If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.

	of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.]
[21]Performance of and other information concerning Underlying/Formula(e)/other variable, explanation of effect on value of investment and associated risks	[•] [The information included herein with respect to the underlying to which payments[/delivery] under the Certificates are linked [(the "**Underlying**")] [(the "**Underlying Entities**")] consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer. In particular, the Issuer accepts no responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlying [or the Underlying Entities] of the Certificates or that there has not occurred any event which would affect the accuracy or completeness of such information.][•]

[21] Need to include details of where past and future performance and volatility of the index/formula(e)/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

FORM OF FINAL TERMS (UNLIMITED CERTIFICATES WITHOUT FIXED REDEMPTION DATE)

FORM OF FINAL TERMS

FINAL TERMS

relating to

COMMERZBANK AKTIENGESELLSCHAFT

[Number**] [•]** Unlimited Certificates

issued under the

Scandinavian Notes/Certificates Programme

of

COMMERZBANK AKTIENGESELLSCHAFT

Date of the Final Terms: **[•]**

Series No.: **[•]**

Tranche No.: **[•]** of that Series

This document constitutes the Final Terms relating to the issue of Certificates under the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (the "**Programme**") and shall be read in conjunction with the Base Prospectus dated May 10, 2010 **[**, save in respect of the Programme Terms and Conditions which are extracted from the former base prospectus dated • and which had been incorporated by reference into the Base Prospectus dated •**]**[22] as supplemented from time to time. Full information on the Issuer and the offer of the Certificates is only available on the basis of the combination of these Final Terms and the Base Prospectus and supplements thereto, if any. The Base Prospectus and any supplements will be available free of charge at the head office of the Issuer, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany and at the following website of Commerzbank Aktiengesellschaft (www.commerzbank.com). These Final Terms are available [in the same form] [•] (*in the event of a public offering and/or listing and admission to trading on a regulated market of a member state of the European Economic Area*).

I.
Terms and Conditions:

[23]**[**The Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**") shall be amended by incorporating the terms of the Final Terms, and by deleting all provisions not applicable to the respective Tranche of the respective Series (the "**Consolidated Terms**") in the form attached hereto as Annex 1. The Consolidated Terms shall replace the Programme Terms and Conditions in their entirety. If and to the extent the Consolidated Terms deviate from the Programme Terms and Conditions, the Consolidated Terms shall prevail.**]**

[24]**[**The following terms of the Final Terms amend and supplement the Programme Terms and Conditions dated May 10, 2010 (the "**Programme Terms and Conditions**"). If and to the extent the following terms deviate from the Programme Terms and Conditions, the following terms shall prevail.**[add terms]]**

II.
Other Conditions

Issue Date	[date]
Issue Price	[•][25]
[Offer Period	From [•] to [•]. The Offer Period may be extended or shortened.]
[Minimum subscription amount	[•]]
[Maximum subscription amount	[•]]
German Securities Identification No.	[•]

22 This additional language applies if the first tranche of an issue which is being increased was issued under the former Base Prospectus dated ●.

23 Only applicable in case of Consolidated Terms.

24 Only applicable in case of Supplemented Terms.

25 Agio needs to be specified if applicable.

Common Code	[•]
ISIN	[•]
	[If fungible with an existing Series, details of that Series, including the date on which the Certificates become fungible]
[Other security code(s)	[•]]
Listing	[Yes] [insert exchange] [No]
[Stabilising Agent	[Issuer] [None]]
[Market Making	[•]
	[insert name and address of entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment]]
[Targeted investor category	[•]]
[Additional Selling Restrictions	The following Selling Restrictions shall apply in addition to the Selling Restrictions set forth in the Prospectus: •]
[26][Additional Risk Factors]	
[27][Additional Taxation Disclosure]	
[Additional further Information	[Consider inclusion of further information to comply with Annex V and/or Annex XII of the Prospectus Regulation if relevant]]

[26] Specific additional risk factors if appropriate.

[27] Information on taxes on the income from Certificates withheld at source in respect of countries where the offer is being made or admission to trading is being sought.

[Ratings:]	[The Issuer has been rated as follows: [S & P: [•]] [Moody's: [•]] [[Other]: [•]] [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.] [The Notes to be issued have been rated: [S & P: [•]] [Moody's: [•]] [[Other]: [•]] [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.] [The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]]
[Interests of natural and legal persons involved in the issue/offer	[So far as the Issuer is aware, no person involved in the offer of the Certificates has an interest material to the offer.][•]]
Reasons for the offer, estimated net proceeds and total expenses	
[28][(i) Reasons for the offer	[•]]
[(ii)] Estimated net proceeds	[•] [If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.]
[(iii)] Estimated total expenses	[•] [Include breakdown of expenses.] [It is only necessary to include disclosure

28 If reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.

of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.]

[29]Performance of and other information concerning Underlying/Formula(e)/other variable, explanation of effect on value of investment and associated risks	[•] [The information included herein with respect to the underlying to which payments[/delivery] under the Certificates are linked [(the "**Underlying**")] [(the "**Underlying Entities**")] consists only of extracts from, or summaries of, publicly available information. The Issuer accepts responsibility that such information has been correctly extracted or summarised. No further or other responsibility in respect of such information is accepted by the Issuer. In particular, the Issuer accepts no responsibility in respect of the accuracy or completeness of the information set forth herein concerning the Underlying [or the Underlying Entities] of the Certificates or that there has not occurred any event which would affect the accuracy or completeness of such information.][•]

[29] Need to include details of where past and future performance and volatility of the index/formula(e)/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. [Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information.]

TAXATION

If the relevant Final Terms contain a tax gross-up clause, all amounts payable under the Securities will be paid without deduction or withholding for or on account of any present or future taxes, duties or governmental charges whatsoever imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein. In the case that the Issuer is compelled by a law or other regulation to deduct or withhold such taxes, duties or governmental charges the Issuer will pay any additional amounts to compensate the holder of Securities for such deduction or withholding, unless one of the exceptions set forth in the gross-up clause applies.

If the relevant Final Terms do not contain a tax gross-up clause, all present and future taxes, fees or other duties in connection with the Securities shall be borne and paid by the holders of the Securities. The Issuer is entitled to withhold from payments to be made under the Securities any taxes, fees and/or duties payable by the holder of the Securities in accordance with the previous sentence.

Taxation in Germany

Currently, there is no legal obligation for the Issuer (acting as issuer of the Securities and not as disbursing agent (*auszahlende Stelle*) as defined under German tax law) to deduct or withhold any German withholding tax (*Quellensteuer*) from payments of interest, principal and gains from the disposition, redemption or settlement of the Securities or on any ongoing payments to the holder of any Securities. Further, income and capital gains derived from particular issues of Securities can be subject to German income tax (*Einkommensteuer*). All tax implications can be subject to alteration due to future law changes.

Prospective investors are recommended to consult their own advisors as to the tax consequences of an investment in the Securities, also taking into account the taxation in the holder's country of residence or deemed residence.

Taxation in Sweden

Private individuals and legal entities that are considered tax residents in Sweden (Sw. *obegränsat skattskyldiga)* will be liable to Swedish income tax on income and capital gains derived from the Securities. Private individuals and legal entities that are considered non-tax residents in Sweden (Sw. *begränsat skattskyldiga)* will normally not be subject to Swedish income tax on income and capital gains derived from the securities.

Currently, there is no legal obligation for the Issuer to deduct or withhold any Swedish withholding tax from payments of interest, principal and gains from the disposition, redemption or settlement of the Securities or on any ongoing payments to the holder of any Securities. However, other operators, such as Euroclear Sweden or the local Issuing & Paying Agent, will be obligated, as regards private individuals tax resident in Sweden, to withhold tax on income deriving from the Securities deemed as interest or dividend for Swedish purposes. All tax implications can be subject to alteration due to future law changes.

Prospective investors are recommended to consult their own advisors as to the tax consequences of an investment in the Securities, also taking into account the taxation in the holder's country of residence or deemed residence.

Taxation in Norway

Payments on the Norwegian dematerialized securities will not be subject to Norwegian withholding tax.

Taxation in Denmark

Generally, there is no legal obligation under Danish law for the Issuer to deduct or withhold any Danish withholding tax from payments of interest, principal and gains from the disposition, redemption or settlement of the Securities or on any ongoing payments to the holder of any Securities. The only exception to this rule applies to inter-group interest payments where a Danish debtor in certain situations is required to impose a 25 % withholding tax.

Income and capital gains derived from particular issues of Securities will generally be subject to Danish taxation. All tax implications can be subject to alteration due to future law changes.

Prospective investors are recommended to consult their own advisors as to the individual tax consequences of an investment in the Securities, also taking into account the taxation in the holder's country of residence or deemed residence.

Taxation in Finland

Currently, there is no legal obligation for the Issuer as a non-Finnish entity or a Finnish branch to deduct or withhold any Finnish withholding tax (*lähdevero*) or advance tax prepayments from payments of interest, principal and gains from the disposition, redemption or settlement of the Securities or on any ongoing payments to the holder of any Securities. Further, income and capital gains derived from particular issues of Securities can be subject to Finnish income tax (*tulovero*). However, according to Finnish domestic tax legislation, Finnish institutional payers, such as an account operator paying the interest, may be obliged to withholding tax of 28 per cent on interest payments made to individuals with unlimited tax liability in Finland. All tax implications can be subject to alteration due to future law changes.

It is not altogether clear under the Finnish statutory and case law relating to transfer tax whether Securities that relate to shares or similar instruments issued by Finnish entities will be considered as securities for the purposes of transfer tax. The Issuer believes, however, that such Securities should not be considered as securities for Finnish transfer tax purposes and that therefore no Finnish transfer tax is payable on the transfers of Securities.

Prospective investors are recommended to consult their own advisors as to the tax consequences of an investment in the Securities, also taking into account the taxation in the holder's country of residence or deemed residence.

OFFERING AND SELLING RESTRICTIONS

The Issuer does not represent that the Base Prospectus and the relevant Final Terms may be lawfully distributed, or that the Securities may be lawfully offered in any jurisdiction or pursuant to an exemption available under the laws and regulations of such jurisdiction, or assume any responsibility for facilitating such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of the Securities or distribution of the Base Prospectus and the relevant Final Terms other than asking for the approval by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht)* ("**BaFin**") in accordance with the provisions of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and possibly in the future for a notification of such approval to other states in order to provide for a lawful offer by the Issuer itself. Accordingly, the Securities may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Final Terms nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances which are in compliance with any applicable laws and regulations.

SELLING RESTRICTIONS WITHIN THE EUROPEAN ECONOMIC AREA

In any member state of the European Economic Area ("**EEA**") that has implemented Directive 2003/71/EC (the "**Prospectus Directive**") (the "**Relevant Member State**"), the Securities may, with (and including) the day of entry into effect of the respective implementation in the Relevant Member State, be publicly offered in the Relevant Member State, provided that this is permitted under the applicable laws and other legal provisions, and further provided that

(a) the Public Offering starts or occurs within a period of 12 months following the publication of the Prospectus which has been approved by BaFin in accordance with the provisions of the German Securities Prospectus Act and, if the Securities are publicly offered in a Relevant Member State other than Germany, the approval has been notified to the competent authority in such Relevant Member State in accordance with § 18 of the German Securities Prospectus Act, or

(b) one of the exemptions set forth in § 3 para. 2 of the German Securities Prospectus Act exists or, in case of an offering outside of Germany, an exemption from the obligation to prepare a prospectus exists as set forth in the implementing law of the respective Relevant Member State in which the Public Offering shall occur.

"**Public Offering**" means (i) a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe to these securities, as well as (ii) any additional specifications defined more closely in the implementing law of the respective Relevant Member State, in which the Public Offering shall occur.

In any EEA member state that has not implemented the Prospectus Directive, the Securities may only be publicly offered within or from the jurisdiction of such member state, provided that this is in accordance with the applicable laws and other legal provisions. The Issuer has not undertaken any steps, nor will the Issuer undertake any steps, aimed at making the Public Offering of the Securities or their possession or the marketing of offering documents related to the Securities legal in such jurisdiction if this requires special measures to be taken.

SELLING RESTRICTIONS OUTSIDE OF THE EUROPEAN ECONOMIC AREA

In a country outside of the EEA, the Securities may only be publicly offered, sold or delivered within or from the jurisdiction of such country, provided that this is in accordance with the applicable laws and other legal provisions, and provided further that the Issuer does not incur any obligations. The Issuer has not undertaken any steps, nor will the Issuer undertake any steps, aimed at making the Public Offering of the Securities or their possession or the marketing of offering documents related to the Securities legal in such jurisdiction if this requires special measures to be taken.

Selling Restrictions

The Securities have not been and will not be registered under the United States Securities Act of 1933 as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Securities in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder.

Until 40 days after the commencement of the offering of the Securities, an offer or sale of such Security within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

DESCRIPTION OF THE ISSUER

General Information

History and Development

Commerzbank Aktiengesellschaft is a stock corporation under German law and was established as Commerz- und Disconto-Bank in Hamburg in 1870. The Bank owes its present form to the re-merger of the post-war successor institutions of 1952 on July 1, 1958. The Bank’s registered office is located in Frankfurt am Main and its head office is at Kaiserstraße 16, (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany (telephone: +49 (0)69 136-20). The Bank is registered in the commercial register of the district court (*Amtsgericht*) of Frankfurt am Main under the number HRB 32 000.

Business Overview

Principal Activities

Commerzbank is a universal bank. Its products and services for retail and corporate customers extend to all aspects of banking. The Bank is also active in specialised fields − partly covered by its subsidiaries − such as mortgage banking and real-estate business, leasing and asset management. Its services are concentrated on managing customers’ accounts and handling payments transactions, loan, savings and investments plans, and also on securities transactions. Additional financial services are offered within the framework of the Bank’s bancassurance strategy of cooperating with leading companies in finance-related sectors, including home loan savings schemes and insurance products.

The Commerzbank Group is divided into three areas: customer bank, asset-based finance and the run-off portfolio (Portfolio Restructuring Unit (PRU)). The customter bank comprises the customer-oriented core business activities of Commerzbank. Specifically, this includes the four segments Private Customers, *Mittelstandsbank*, Corporates & Markets as well as Central & Eastern Europe. The asset based finance area essentially includes Commercial Real Estate, Public Finance and ship financing. The run-off portfolio (Portfolio Restructuring Unit (PRU)) contains all the portfolios that the Bank no longer wants and has transferred to a single separate unit.

Private Customers

This segment encompasses all of the Bank's activities related to private and business customers. It therefore comprises Private and Business Customers, Credit, Wealth Management as well as Direct Banking.

Private and Business Customers

The product range for private customers covers the complete palette of retail business, including payments, investment and securities business, home and consumer loans as well as private provision for old age products.

The product range for business customers which include professionals, the self-employed and businessmen as well as the proprietors of small companies with an annual turnover of up to €2.5 million, has been entirely adapted to their needs and results in a combination of solutions for business financial issues and all-inclusive, individual advice in private financial matters.

Around one-third of the Commerzbank branches have been converted to the branch of the future model. Branches of this type are customer-oriented and focus on consulting and distribution. Apart from the use of modern self-service machines, administrative functions are being standardised, streamlined and centralised.

On the internet, a virtual branch is available, offering practically the entire range of a traditional branch office, including the handling of payments and securities transactions.

Credit

In the Credit division distribution and processing have been completely reorganized with the aim to concentrate on the processing of loans and to optimize the quality of credit decisions as well as the time it takes to reach these decisions. Another focus is on the more intensive and active portfolio management.

Wealth Management

In this business division, customers with liquid assets of at least €500,000 or customers, for which special solutions (for instance due to the complexity of their asset structure) are required, are served. Support is provided in all aspects of wealth management whereas services range from individual portfolio and securities management via financial investment and property management to the management of foundations and legacies.

Direct Banking

This business division mainly comprises the activities of the subsidiary comdirect bank AG which offers private customers reasonably priced services in banking and above all in securities business. Its subsidiary comdirect private finance AG provides additional financial advisory services on more complex topics such as provision for old age and wealth formation.

Mittelstandsbank

This segment comprises Corporate Banking, Small and Medium Enterprises Regions 1 and 2, Large Corporates, Corporates International and Financial Institutions. Corporate Banking with the Center of Competence Renewable Energies focuses on small to medium-sized companies with a turnover between €2.5 million and €250 million or €500 million subject to the capital market affinity of the relevant companies. In the division Large Corporates the activities with large corporate customers which are close to the capital markets are bundled. Financial Institutions is responsible for the relationship to banks and financial institutions in Germany and abroad as well as to central banks and sovereigns and therefore supports Corporate Banking in respect of the trading activities or investments in the respective regions. Corporates International comprises the branches abroad in all important financial centers in Asia and in the Western European capitals. The focus there is on accompanying German corporate customers abroad as well as on Asian and Western European large corporate customers having relations to the German market and to other core regions of the Bank.

Central and Eastern Europe

Since the first quarter of 2008 the operations of all subsidiaries and regional branches in Central and Eastern Europe, previously included in the *Mittelstandsbank* segment, are bundled in a separate holding.

Corporates & Markets

The Corporates & Markets segment includes the client-oriented activities as well as business relations with multinational companies and selected major clients. It also serves London and America. Corporates & Markets consists of the main business areas: Fixed Income Sales, Fixed Income Trading, Corporate Finance, Equity Markets & Commodities, Client Relationship Management and Research.

Asset Based Finance

Asset Based Finance comprises CRE Germany, CRE International, Public Finance, Real Estate Asset Management as well as Ship Finance.

CRE Germany/CRE International and Real Estate Asset Management

In CRE Germany, CRE International and Real Estate Asset Management the commercial real estate activities are bundled. These mainly consist of the real estate activities of Eurohypo and the activities of Commerz Real AG.

Eurohypo provides a large number of different services. In the area of financing commercial real estate, the range of products extends from traditional fixed-interest loans and structured financing all the way to real estate investment banking and capital market products.
The buy-and –manage concept is at the core of the business model. This is where Eurohypo, besides being a straightforward lender for real-estate customers, also serves as an intermediary between customers and capital markets.

The range of services provided by Commerz Real AG encompasses investment products with open-ended and closed-end funds, structured investments with a broad range of individually structured forms of financing, and equipment leasing.

Public Finance

Public Finance offers a wide range of financing instruments for domestic and international public sector clients and tailor-made financing solutions to meet their medium and long-term financing requirements. This includes the funding of infrastructure and public private partnership projects.

Ship Finance

This business division includes all shipping activities of Commerzbank, especially the range of services of the Deutsche Schiffsbank AG, Bremen / Hamburg.

Principal Markets

Commerzbank's business activities are mainly concentrated on the German market, where as an integrated provider of financial services, it maintains a nationwide branch network for offering advice and selling products to all its groups of customers. In Wealth Management, considered core markets are furthermore Austria, Luxembourg, Singapore and Switzerland and in corporate business Europe (the United Kingdom, France, Spain, Italy, the Netherlands, Belgium, Luxembourg, Hungary, the Czech Republic, Poland and Russia) as well as the USA and Asia (China, Dubai, Japan and Singapore).

Organisational Structure

Structure of the Commerzbank Group

Board of Managing Directors

Customer Bank				***Asset Based Finance*** *)
Private Customers	***Mittelstandsbank***	**Central and Eastern Europe**	**Corporates & Markets**	**Asset Based Finance**
Private and Business Customers Wealth Management Direct Banking Credit	Corporate Banking Small and Medium Enterprises Region 1 Small and Medium Enterprises Region 2 Large Corporates Corparates International Financial Institutions	Eastern Europe Central Europe BRE Bank	Client Relationship Management Corporate Finance Equity Markets & Commodities Fixed Income Trading Research Fixed Income Sales London America	CRE Germany CRE International Public Finance Real Estate Asset Management Ship Finance

*) The third area comprises the run-off portfolio (Portfolio Restructuring Unit (PRU)) which contains all the portfolios that the Bank no longer wants. This includes troubled assets as well as positions that no longer match the Bank's business model since they lack a focus on customer relationships.

All staff and management functions are bundled into the Group Management division. Information Technology, Transaction Banking and Organization are provided by the Services division.

Major group companies and holdings

In Germany

Atlas Vermögensverwaltungs-Gesellschaft mbH, Bad Homburg v.d.H.
comdirect bank AG, Quickborn
Commerz Real AG, Eschborn
Deutsche Schiffsbank AG, Bremen/Hamburg
Eurohypo AG, Eschborn
Süddeutsche Industrie-Beteiligungs-GmbH, Frankfurt am Main

Abroad

BRE Bank SA, Warsaw
Commerzbank Capital Markets Corporation, New York
Commerzbank (Eurasija) SAO, Moscow
Commerzbank Europe (Ireland), Dublin
Commerzbank International S.A., Luxembourg
Dresdner Bank Luxembourg S.A., Luxembourg

Commerzbank (South East Asia) Ltd., Singapore
Commerzbank Zrt., Budapest
Dresdner Investments (UK) Limited, London
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg
Joint Stock Commercial Bank "Forum", Kiev

Futher information on the holdings in affiliates and other companies is contained in the Annual Report of the Commerzbank Group as of December 31, 2009 which is incorporated by reference into this Prospectus (please see pages 413 - 453 of the Supplement C dated April 15, 2010 to the Base Prospectus dated June 8, 2009 relating to the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft (see page 169 of this Prospectus)).

Administrative, Management and Supervisory Bodies

Board of Managing Directors

The Board of Managing Directors currently consists of the following members:

Martin Blessing, Frankfurt am Main, Chairman
Group Development & Strategy, Group Communications, Group Legal, Group Treasury

Frank Annuscheit, Frankfurt am Main
Group Information Technology, Group Organization, Group Banking Operations, Group Markets Operations, Group Security, Group Support

Markus Beumer, Frankfurt am Main
Coporate Banking, Small and Medium Enterprises Region 1, Small and Medium Enterprises Region 2, Large Corporates, Corporates International, Financial Institutions

Dr. Achim Kassow, Frankfurt am Main
Retail Banking, Wealth Management, Direct Banking, Credit, Eastern Europe, Central Europe, BRE Bank

Jochen Klösges, Frankfurt am Main
CRE Germany, CRE International, Public Finance, Real Estate Asset Management, Ship Finance

Michael Reuther, Frankfurt am Main
Client Relationship Management, Corporate Finance, Equity Markets & Commodities, Fixed Income Trading, Research, Fixed Income Sales, London, America

Dr. Stefan Schmittmann, Frankfurt am Main
Group Credit Risk Management, Group Risk Controlling & Capital Management, Group Market Risk Operations, Global Intensive Care

Ulrich Sieber, Frankfurt am Main
Group Human Resources, Group Integration

Dr. Eric Strutz, Frankfurt am Main
Group Compliance, Group Finance, Group Finance Architecture, Group Audit, Portfolio Restructuring Unit

Supervisory Board

The Supervisory Board currently consists of the following members:

Klaus-Peter Müller, Chairman, Frankfurt am Main
Uwe Tschäge, Deputy Chairman, Commerzbank AG, Düsseldorf
Hans-Hermann Altenschmidt, Commerzbank AG, Essen
Dott. Sergio Balbinot, Managing Director of Assicurazioni Generali S.p.A., Trieste
Dr.-Ing. Burckhard Bergmann, Former member of the Board of Managing Directors of E.ON AG, Consultant, Essen
Herbert Bludau-Hoffmann, Dipl.-Volkswirt, ver.di Trade Union, Sector Financial Services, Essen
Dr. Nikolaus von Bomhard, Chairman of the Board of Managing Directors of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, Munich
Karin van Brummelen, Commerzbank AG, Düsseldorf
Astrid Evers, Commerzbank AG, Hamburg
Uwe Foullong, Member of the ver.di National Executive Committee, Berlin
Daniel Hampel, Commerzbank AG, Berlin
Dr.-Ing. Otto Happel, Entrepreneur, Lucerne
Sonja Kasischke, Commerzbank AG, Brunswick
Prof. Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel, Member of the Supervisory Board of HOCHTIEF AG, Essen
Alexandra Krieger, Hans-Böckler-Stifung, Düsseldorf
Dr. h.c. Edgar Meister, Lawyer, former Member of the Executive Board of Deutsche Bundesbank, Kronberg im Taunus
Prof. h.c. (CHN) Dr. rer. oec. Ulrich Middelmann, Deputy Chairman of the Board of Managing Directors of ThyssenKrupp AG, Düsseldorf
Dr. Helmut Perlet, Member of the Board of Managing Directorsof Allianz SE, Munich
Barbara Priester, Commerzbank AG, Frankfurt am Main
Dr. Marcus Schenck, Member of the Board of Managing Directors of E.ON AG, Düsseldorf

The members of the Board of Managing Directors and of the Supervisory Board can be reached at the business address of the Issuer.

Potential Conflicts of Interest

In the 2009 financial year and until the date of this Prospectus, the members of the Board of Managing Directors and the members of the Supervisory Board were involved in no conflicts of interest as defined in sections 4.3 and 5.5, respectively, of the German Corporate Governance Code.

Potential conflicts of interest could occur with the following members of the Board of Managing Directors due to their additional membership in supervisory boards of Commerzbank AG's subsidiaries:

Mr Annuscheit (comdirect bank AG), Mr Beumer (Commerz Real AG), Dr. Kassow (comdirect bank AG, BRE Bank SA), Mr Klösges (Deutsche Schiffsbank AG, Commerz Real AG), Dr. Schmittmann (Commerz Real AG)

Currently, there are no signs of such conflicts of interest.

Historical Financial Information

The audited non-consolidated annual financial statements of Commerzbank for the financial year ended December 31, 2009 and the audited consolidated annual financial statements of Commerzbank for the financial years ended December 31, 2008 and 2009 are incorporated by reference into, and form part of, this Base Prospectus.

Auditors

The auditors of the Bank for the 2008 and 2009 financial years were PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Olof-Palme-Straße 35, 60439 Frankfurt am Main, Federal Republic of Germany, who audited the annual and consolidated financial statements of Commerzbank Aktiengesellschaft for the financial years ended December 31, 2008 and 2009, giving each of them their unqualified auditor's report.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft is a member of the Chamber of Chartered Accountants (*Wirtschaftsprüferkammer*).

Interim Financial Information / Trend Information

The Commerzbank Group’s interim report as of March 31, 2010 (reviewed English version) forms part of this Base Prospectus.

Since the audited consolidated financial statements as of December 31, 2009 and the interim report as of March 31, 2010 (reviewed English version) were published no material adverse changes in the prospects nor significant changes in the financial position have occurred except for those described below under "Recent Developments".

Legal and Arbitration Proceedings

During the previous twelve months, there were no governmental, legal or arbitration proceedings, nor is the Bank aware of any such proceedings pending or threatened, which may have, or have had in the recent past significant effects on the Bank's and/or Group's financial position or profitability.

Recent Developments

Acquisition of Dresdner Bank from Allianz

On January 12, 2009, Commerzbank acquired the 92.9% of the shares in Dresdner Bank held by Allianz (which equated to 100% of the voting rights, given the treasury shares held by Dresdner Bank of 7.1% of its share capital) for a total purchase price of €4.7bn ("the **Transaction**"). €3.2bn was paid in cash. In addition, Allianz received 163,461,537 non-par-value shares in the Company through a capital increase against non-cash contributions. Based on the XETRA closing price on January 12, 2009, the value of these shares was €0.8bn. Allianz also received from the Issuer cominvest Asset Management GmbH, cominvest Asset Management S.A., Münchener Kapitalanlage Aktiengesellschaft and MK LUXINVEST S.A. (together "the **cominvest Group**"), with a total value of €0.7bn. The conclusion of long-term distribution agreements between Allianz and the Company and their respective subsidiaries was also agreed upon in the Transaction Agreement as part of the concept of comprehensive sales cooperation in Germany. On completion of the transaction, Allianz strengthened the Company’s equity by buying from it asset-backed securities with a nominal value of €2.0bn for €1.1bn. Furthermore, Allianz granted the Company a silent participation of €750m on June 8, 2009. The profit participation for the silent participation consists of fixed interest of 9% p.a. on the nominal value of the contribution plus additional dividend-linked remuneration of 0.01% p.a. on the nominal contribution amount for each full €5,906,764 cash dividend paid.

The merger between Dresdner Bank, as transferring legal entity, and Commerzbank, as acquiring legal entity, was registered in the commercial register at the district court of Frankfurt am Main on May 11, 2009.

The financial market crisis and SoFFin equity injection

The global financial market crisis had a significant impact on the Group's result in 2008, and it should be assumed that this crisis will produce further negative consequences for the Group in future. In response to the crisis and the gradual deterioration in the economic environment, the Issuer applied to SoFFin on November 2, 2008 for stabilization measures. On December 19, 2008, SoFFin granted the Issuer a silent participation of €8.2bn. Further injections of equity capital were subsequently needed in order to meet much-increased expectations of banks' capital adequacy in light of the intensifying financial market crisis. SoFFin received 295,338,233 non-par-value shares in the Issuer through a capital increase against cash contributions, as approved by the Annual General Meeting on May 15, 2009. As a result of this capital increase, SoFFin holds 25% plus one share of the Issuer. SoFFin also granted the Issuer a further silent participation of €8.2bn on June 4, 2009. In connection with the various equity injections, the Issuer has undertaken not to pay a dividend to its shareholders for financial years 2008 and 2009. The profit participation for the silent participations consists of fixed interest of 9% p.a. on the nominal value of the contribution plus additional dividend-linked remuneration of 0.01% p.a. on the nominal contribution amount for each full €5,906,764 cash dividend paid.

On May 7, 2009, the European Commission declared that the stabilization measures which the Issuer has taken up are, in principle, compatible with the aid provisions set out in the EU Treaty. However, for competitive reasons, a series of conditions were imposed on the Group. The key conditions included:

– the divestment of activities,
– the sale of Eurohypo Aktiengesellschaft ("**Eurohypo**") by 2014 and of Kleinwort Benson Private Bank Limited, Dresdner Van Moer Courtens S.A., Dresdner VPV NV, Privatinvest Bank AG, Reuschel & Co. KG and Allianz Dresdner Bauspar AG by 2011,*
– time-limited restrictions on acquisitions of further companies and
– restrictions on the terms and conditions that can be offered to customers.

* Commerzbank has completed the sale of Reuschel & Co. KG to Conrad Hinrich Donner Bank and of Dresdner VPV NV and Dresdner Van Moer Courtens S.A to the members of the managements. Furthermore, Commerzbank sold Kleinwort Benson Private Bank Limited to RHJ International as well as Privatinvest Bank AG to Züricher Kantonalbank. These transactions are subject to the necessary approvals from the authorities.
Commerzbank and Wüstenrot Bausparkasse AG have signed a contract of sale for Dresdner Bauspar AG.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents were published in the Supplement A dated April 27, 2009 to the Base Prospectus dated February 12, 2009 for Inline Warrants relating to Shares, Indices and Currency Exchange Rates of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Management Report and Group Financial Statements 2008

Management report	p. 81 – 200
Income statement	p. 205
Balance sheet	p. 206
Statement of changes in equity	p. 207 – 208
Cash flow statement	p. 209 – 210
Notes	p. 211 – 307
Group auditors' report	p. 308
Holdings in affiliated and other companies	p. 309 - 333

The following documents were published in the Supplement C dated April 15, 2010 to the Base Prospectus dated June 8, 2009 relating to the Scandinavian Notes/Certificates Programme of Commerzbank Aktiengesellschaft and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

Financial Statements and Management Report 2009 of the Commerzbank AG

Commerzbank Group Annual Report 2009

Documents incorporated by reference have been published on the website of the Issuer (www.commerzbank.com).

C O M M E R Z B A N K   G R O U P

Interim report as of March 31, 2010
(reviewed English version)

Contents

Interim Management Report

Business and overall conditions

Overall economic situation

In the first few months of the year the world economy continued to recover from the deep recession during the winter half-year 2008–2009. The rebound was led by the emerging economies in Asia, but growth in North America likewise accelerated noticeably. The eurozone is also witnessing an upturn, but the momentum is currently much weaker there than in these other regions.

The eurozone revival has been spearheaded by Germany. Although the country's economy again posted at best minimal growth in the first quarter, this was primarily due to the hard winter and will likely be made up for with a strong jump in growth in spring. Business opinion surveys and the ongoing pickup in orders in industry point to an above-average performance by the German economy within the eurozone. Reliant as it is on capital goods and exports, the German economy was particularly hard hit by the global downturn, but in return now seems to be benefiting more than others from the recovery.

Even if economic activity is improving worldwide, capacity utilization is still low and unemployment high. Upward pressure on prices has therefore continued to ease until very recently, with core inflation rates (excluding energy and food) in many countries – including Germany – now below 1%. Given these still inert levels of inflation, only very few central banks have started to gradually raise their key interest rates. The Fed and the ECB have still given no indications of an imminent reversal in interest rates.

The financial markets were dominated for the most part by anxiety over the dangers of a Greek insolvency. Consequently, yield spreads between government bonds of individual eurozone countries widened sharply, putting the euro under significant pressure. The Greek debacle also sent prices in the equity markets tumbling for a while, but the continued upward momentum in the economy put them back on an upward trajectory, taking the German DAX index almost back to pre-Lehman Brothers levels.

Important business policy events

In mid-January, Commerzbank announced it had signed an agreement with Bank Audi sal-Audi Sarader Group for the sale of Dresdner Bank Monaco S.A.M. The parties agreed to maintain confidentiality about the details of the transaction, which is subject to the necessary approvals from the authorities. Dresdner Bank Monaco S.A.M., a subsidiary of Dresdner Bank Luxembourg S.A., was founded in 2006 and is active in affluent private customer business, focusing on Monaco, southern France and northern Italy. At the end of 2008, it had assets under control of €233m and employed 18 staff.

At the beginning of February, both the sale of the remaining shares in Austrian Privatinvest Bank AG held by Commerzbank to Zürcher Kantonalbank and the sale of the Dutch asset manager Dresdner VPV to the management were completed. The supervisory authorities approved both transactions. As at the end of June 2009, Privatinvest Bank AG employed about 50 staff and had assets under management of approximately €600m. As at the end of 2008, Dresdner VPV employed about 60 staff and had €1.2bn in assets under management.

At the end of March, Commerzbank completed its previously announced sale of Dresdner Van Moer Courtens and the Belgium branch of its subsidiary Commerzbank International S.A. Luxembourg (CISAL), which focuses on affluent private customers, to the management of Dresdner Van Moer Courtens. The supervisory authorities approved the transaction. At the end of 2009 the two institutions together managed assets of €630m and employed 45 staff.

Information on further divestments can be found in the report on events after the balance sheet date.

On March 1, Poland's BRE Bank announced a capital increase with an inflow of funds of 2bn Polish zloty (approximately €500m). The capital increase was approved at the General Meeting of BRE Bank which convened in Warsaw on March 30. Commerzbank will exercise its subscription rights fully in the planned capital increase of BRE Bank, in which Commerzbank holds around 69.8% of shares.

At the beginning of March, Commerzbank acquired a further 26.25% holding in Ukraine's Bank Forum, thereby increasing its stake to 89.3%. The shares come from the indirect holding of a former minority shareholder who is no longer a shareholder following the sale of this stake. The parties have agreed to maintain confidentiality about the purchase price and other details. At an extraordinary shareholders' meeting on March 4, the shareholders of Bank Forum approved a capital increase of 2.42bn Ukrainian hryvnia (approx. €240m). Commerzbank plans to participate in the capital increase in proportion to its holding.

Earnings performance, assets and financial position

In the first quarter of 2010, the Commerzbank Group achieved a pre-tax profit of €771m. Net interest income remained at a solid level, while provisions fell considerably. The improvement in net commission income continued, while net trading income was extraordinarily strong. Only net investment income declined. Operating expenses rose primarily as a result of the fact that, in 2009, given that the official closing of the acquisition of Dresdner Bank took place on January 12, the earnings contributions from Dresdner Bank for the period of January 1 to January 12 were not included in the income statement of Commerzbank. Ongoing implementation expenses related to the integration of Dresdner Bank also made themselves felt. Overall, the results for the first quarter were very pleasing. Moreover, at the end of the first quarter, the Commerzbank Group's capital base remains sound and the liquidity position comfortable. Furthermore additional progress was made in reducing risk, as the Portfolio Restructuring Unit was able to significantly scale back exposure during the first quarter.

Income statement of the Commerzbank Group

Net interest income rose versus the previous year by 11.6% to €1,888m in the first quarter of 2010. One contributing factor was that coupons on hybrid bonds and participation certificates were not serviced. After accounting for one-off items, net interest income remained at a solid level despite a significant reduction in assets. Net interest income at the core bank suffered due to low deposit margins, which could not be completely compensated for by increased credit margins.

At €644m, the net allocation to provisions for loan losses was 23.7% below the allocation for the first quarter of 2009, primarily as a result of a more favourable economic environment. The same was true for the previous quarters. This development was particularly noticeable in the core bank, and Corporates & Markets even posted net reversals. By contrast, provisions in the Central & Eastern Europe segment remained at a high level due to developments in Ukraine but were significantly below the levels of the previous quarter as well as the level of the equivalent quarter in 2009. The Asset Based Finance segment accounted for a major share of provisions in the first quarter. Half of the provisions in this segment were general loan loss provisions.

Net commission income increased 15.6% year-on-year to €983m, primarily as a result of higher income from securities business. Nearly all core bank segments saw an increase in net commission income, as did the Asset Based Finance segment. In total, therefore, the Commerzbank Group's net commission income has followed a continuous upward trend over several quarters.

Net trading income improved by €1,377m year-on-year to €850m. This unusually strong trading result was supported by favourable market conditions. The primary contributions came from Corporates & Markets and the Portfolio Restructuring Unit. At Corporates & Markets, Fixed Income & Currencies successfully implemented its new business model and posted a good start to 2010, while the Portfolio Restructuring Unit segment was supported by improved market liquidity.

Net investment income declined by €505m from the same quarter last year to €–119m. This negative result was caused mainly by impairments on positions in the ABS book at the Portfolio Restructuring Unit segment. In the same period last year, impairments on the ABS book were more than offset by income generated from disposals of equity participations.

Operating expenses were up 6.2% year-on-year to €2,209m. This was due in particular to the fact that, in 2009, given that the official closing of the acquisition of Dresdner Bank took place on January 12, the earnings contributions from Dresdner Bank for the period of January 1 to January 12 were not included in the income statement of Commerzbank. At €120m, ongoing implementation expenses for integrating Dresdner Bank were also considerably higher. Personnel expenses fell by 4.2% to €1,107m after a 9.2% reduction in headcount to 61,270. Other operating expenses increased as a result of the aforementioned rise in implementation expenses, by 18.5% to €960m.

All of these developments resulted in an operating profit of €771m following a result of €–595m during the same period last year. There were no restructuring expenses in the period under review, nor were there impairments of goodwill and brand names. The pre-tax profit of €771m was thus equal to the operating profit in the first quarter. Overall, tax expense for the period under review amounted to €55m. The tax rate has been substantially influenced by the utilization of tax loss carryforwards for which no deferred taxes have been recognized to date. The consolidated profit after tax was €716m, of which €8m was attributable to minority interests and €708m to Commerzbank shareholders.

Operating earnings per share amounted to €0.65 and earnings per share €0.60 (€–0.70 and €–1.02, respectively, in the same period last year).

Consolidated balance sheet

Total assets of the Commerzbank Group were €846.1bn as at March 31, 2010, and thus on a par with the figure of €844.1bn at the end of 2009. Overall, however, total assets were impacted by a number of relatively minor contrasting effects.

On the assets side, claims on customers and financial assets in particular declined, while assets held for trading posted an increase.

Claims on banks increased by €2.1bn to €108.8bn compared with the end of 2009, primarily due to a slight increase in bank lending volume. In contrast, claims on customers were down by €9.8bn to €342.4bn, attributable to a lower lending volume. As at the reporting date, total lending to customers and banks stood at €359.1bn, down €9.3bn compared with year end 2009. As at the March 31, 2010 quarterly reporting date, assets held for trading amounted to €230.3bn, an increase of €11.6bn or 5.3% compared with the end of 2009. The key contributors to this increase were the positive fair values attributable to derivative financial instruments and bonds, notes and other interest-related securities, with growth of €5.7bn and €4.1bn, respectively. Financial assets amounted to €129.0bn, €2.3bn below the end of last year. Bonds, notes and other interest-related securities declined €2.1bn in this process to €125.9bn.

On the liabilities side, the reduction in volumes was particularly marked in customers and bank deposits, securitized liabilities and negative fair values attributable to derivative hedging instruments. By contrast, liabilities from trading activities increased.

Liabilities to banks fell by €3.0bn to €137.7bn, particularly in the short maturity segment. Liabilities to customers fell by €4.2bn to €260.4bn. Growth of €3.8bn in demand deposits contrasted with a contraction of €9.6bn in liabilities to customers with terms of up to three months. Securitized liabilities also declined; with a volume of €169.0bn, they were €2.4bn below the year-end 2009 level. Liabilities from trading activities were up €8.5bn overall, to €201.5bn. This was due primarily to the increase in fixed-income derivative business.

Capital and reserves

Reported equity as at March 31, 2010, was up 4.6% or €1.2bn compared with the end of 2009, at €27.8bn, primarily as a result of current first quarter profits of €0.7bn and positive effects from the revaluation reserve.

In total, subscribed capital, the capital reserve and retained earnings amounted to €12.4bn; silent participations remained at €17.2bn. In accordance with EU conditions, Commerzbank will make earnings-related payments in 2010 only if it is obliged to do so without releasing reserves or special reserves pursuant to section 340g HGB. Where necessary and permitted by law, however, Commerzbank will release reserves in 2010 in order to prevent the carrying amount of its equity instruments being reduced through loss participation.

At the end of the first quarter the revaluation reserve, the reserve from cash flow hedges and the currency translation reserve had a negative impact on equity of €3.0bn; this was €0.4bn less than at the end of 2009. The negative value of the revaluation reserve was €0.2bn lower at €–1.5bn. This resulted in particular from the upward trend in the capital markets during the period. However, interest-bearing financial assets continued to have a negative effect, at €–1.8bn. This figure was also influenced by reallocations in accordance with the amendments issued by the IASB on October 13, 2008, where securities in the Public Finance portfolio for which there was no longer an active market were reclassified from the IAS 39 category Available for Sale (AfS) to the IAS 39 category Loans and Receivables (LaR). The Bank has the intention and the ability to hold these securities for the foreseeable future or to final maturity. The securities concerned are primarily issued by public sector borrowers in Europe.

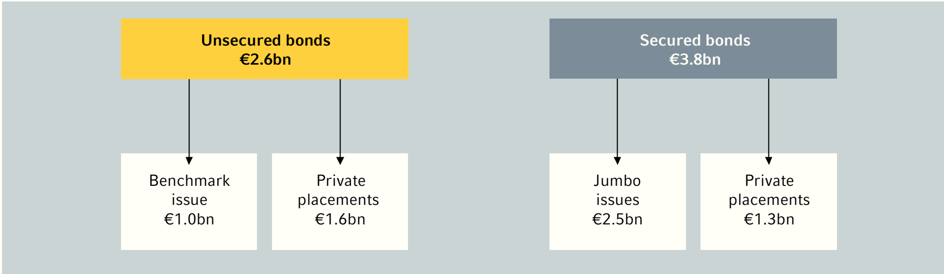
Risk assets amounted to €278.9bn as at March 31, 2010, a further slight decrease compared with the end of 2009. Our regulatory core capital increased by 1.8% over the end of 2009 to €30.0bn, while the core capital ratio rose from 10.5% to 10.8%. The total capital ratio was 15.2% on the reporting date.

Funding and liquidity

The Group's funding is broadly diversified in terms of investor groups, regions, products and currencies.

The liquidity situation of Commerzbank AG continued to improve during the first quarter of 2010. In addition to deposits from its private and corporate customer business which can be regarded as stable and available to the Bank over the long term, Commerzbank draws on the capital markets for secured and unsecured funding. In the first quarter of 2010, the Bank raised more than €6bn in long-term funding through capital market activities.

Group capital market funding in first quarter 2010
Volume €6.4bn



Approximately €2.6bn of this came from unsecured issues and approximately €3.8bn from Pfandbriefe and Lettres de Gage.

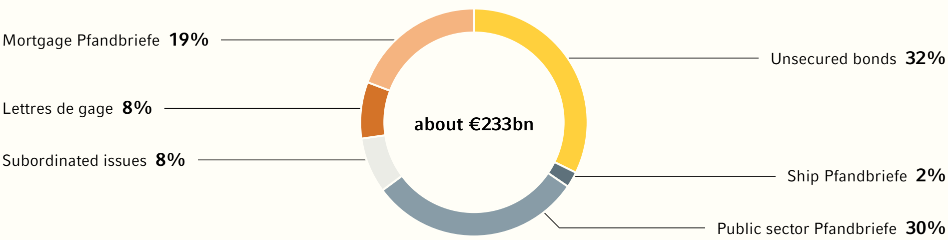
In total the Bank issued three public-sector transactions with a volume of €3.5bn.

In the unsecured segment, Commerzbank AG issued a 7-year senior unsecured benchmark bond with a volume of €1bn and offering a coupon of 3.875% based on a spread of 105 basis points over the swap rate.

In the secured segment, the Bank completed jumbo issues totaling €2.5bn, including a 3-year public-sector Pfandbrief with a volume of €1.5bn issued by Eurohypo AG. Moreover, a 2009 jumbo Pfandbrief maturing in September 2014 was increased by €250m. In addition, Eurohypo S.A. Luxembourg successfully issued the year's first Lettre de Gage, with a volume of €750m. The funding target for public-sector Pfandbriefe and Lettres de Gage has thus for the most part already been met. Mortgage Pfandbriefe with a volume of approximately €500m were also issued. The issue volume was impacted by the increase in voluntary excess cover in cover funds.

The following chart shows the funding structure on the capital market as at March 31, 2010:

Capital market funding structure
as of March 31, 2010



Commerzbank successfully raised shorter-term funding on the money market, which was made available at the customary maturities without restrictions. This reflects Commerzbank's good standing as well as the continued solidity of its liquidity position in the market as a whole during the first quarter.

Commerzbank's liquidity and solvency were adequate at all times during the period under review, even under the assumptions of the stress scenarios. The regulatory provisions applicable to liquidity were complied with at all times. As at the March 31, 2010 reporting date, Commerzbank AG's key liquidity under the standardized approach of the Liquidity Regulation was, at 1.23, well above the required minimum of 1.00.

Key figures for the Commerzbank Group

The Commerzbank Group's overall operating return on equity in the first quarter was 10.1%, compared with –10.2% in the same period last year. Return on equity based on the consolidated surplus/deficit – i.e. the ratio of consolidated surplus/deficit attributable to Commerzbank shareholders to the average capital employed attributable to them without taking account of the revaluation reserve and the reserve from cash flow hedges – increased from –15.2% to 9.5%. The cost/income ratio – i.e. the ratio of operating expenses to total earnings before deduction of loan loss provisions – fell from 89.3% to 61.0%.

Segment reporting

In the first quarter of 2010, all four of the core bank's operating segments – Private Customers, Mittelstandsbank, Central & Eastern Europe and Corporates & Markets – achieved positive operating results and increased profitability. Outside the core bank, the picture was mixed. While the Asset Based Finance segment reported a loss due to the situation in the international real estate markets, the Portfolio Restructuring Unit benefited from the improvement in the financial markets.

Private Customers: stable result despite a difficult market environment

In an environment characterized by an ongoing difficult industry situation coupled with challenging market conditions, the Private Customers segment recorded positive operating results in the first quarter. The number of customers remained stable at roughly 11 million.

The impact of the sale of non-strategic participations in banks was clear, especially in respect of net interest income, net commission income and operating expenses. As a result of the low level of interest rates, net interest income declined year-on-year by 10.1% to €497m. This was attributable to lower margins on deposit products as well as lower deposit volumes and the deconsolidation effects arising from the disposal of the aforementioned investments in associates. The effects of the economic crisis did not go unfelt in terms of provisions, which climbed by €16m to €66m. Despite the impact from the deconsolidations, net commission income increased by 6.9% versus the first quarter of 2009 to €545m, mainly as a result of higher income in securities business. While this was supported by the positive trend on the markets, there was still some uncertainty on the part of customers. The sharp decline of €46m to €–49m in other income compared with the same quarter last year was essentially a result of net allocations to provisions for litigation risks. Operating expenses fell by 5.9% to €913m. While personnel expenses dropped a considerable 10% thanks to the reduction in headcount attributable to the disposal of the units mentioned previously and synergies that have already been realized, other operating expenses recorded a marginal increase of 0.8%, primarily due to ongoing implementation expenses for the integration of

Dresdner Bank, although we continued to maintain strict cost management. With operating profit of €28m, the Private Customers segment made a positive contribution to consolidated results.

The operating return on equity based on an average amount of capital employed of €3.3bn was 3.4% (Q1 2009: 5.0%). The cost/income ratio was reduced from 91.3% to 90.7%.

Mittelstandsbank: making headway in a tough market environment

In a market environment that remained difficult, Mittelstandsbank managed to grow its income before provisions compared with the same period last year thanks to its stable business model and strong customer base. During the first three months of 2010, the segment generated an operating profit on a par with last year.

Net interest income fell from €548m in the same period of 2009 to €516m. This decline was the result of volume reductions outside Germany as part of the focus on strategic lending business as well as a fall-off in the demand for credit in domestic Mittelstand business. Moreover, low interest rates led to a drop in the net interest income contributed by the deposit business. In the first quarter of 2010 we had to make provisions of €161m, €71m higher than in the same period last year. This increase was related to the still difficult economic situation – particularly in domestic corporate business. Compared with prior quarters, however, a downward trend is becoming apparent. Net commission income rose to €257m due to positive effects in all product categories, following €238m in the first quarter of last year. At €6m, net trading income was €3m less than in the first quarter of 2009. Other income amounted to €44m, which represents an increase of €99m versus the same period last year. This figure includes a one-off gain from the reversal of provisions set aside in previous years in connection with a corporate customers product offering from the year 2000. At €357m, operating expenses were 8.2% higher than the previous year's figure of €330m. While personnel costs remained stable overall, the increase in other operating expenses was primarily attributable to expenses related to the integration and higher contributions to the deposit protection fund. These could only be partially offset by strict cost management. The Mittelstandbank segment generated a total operating profit of €302m in the first three months of the current year. The drop of just under 6% compared with the same quarter in 2009 can be accounted for mainly by the higher provisioning levels necessitated by the economic situation.

The operating return on equity based on an average amount of capital employed of €5.5bn was 22.1% (Q1 2009: 22.4%). The cost/income ratio amounted to 43.5% (Q1 2009: 44.6%).

Central & Eastern Europe: positive result thanks to fall in loan loss provisions

The various countries in the Central and Eastern Europe region continued to perform heterogeneously at the beginning of 2010. While Poland benefited from the ongoing economic recovery, the situation in Ukraine remained difficult. Against this market backdrop, the Central & Eastern Europe segment made a positive contribution to results during the first quarter of 2010.

As a result of the difficult market situation in Eastern Europe, net interest income, at €159m, was down slightly on the first quarter of 2009 (€164m). At €94m, provisions were €79m lower than in the first quarter of last year due to an easing of the situation in Russia. Net commission income rose by 51.6% to €47m and BRE Bank in particular benefited from the recovery on the capital markets. Net trading income contracted by 37.9% to €18m, primarily as a result of a deterioration in currency hedges over the same period. The 10.5% increase in operating expenses to €126m was a result of currency translations. On a currency-adjusted basis, expenses at BRE Bank declined slightly, reflecting the impact of our continued cost-cutting and restructuring programme. As a result of the stable performance of BRE Bank and the release of provisions, the segment achieved an operating profit €6m compared with the operating loss of €62 in the corresponding period last year.

The operating return on equity based on an average amount of capital employed of €1.6bn was 1.5% (Q1 2009: –15.1%). The cost/income ratio was 55.8%, compared with 50.7% in the first three months of 2009.

Corporates & Markets: successful implementation of customer-oriented business model

The Corporates & Markets segment successfully implemented its customer-focused business model and started off the year with a very positive result. The Corporate Finance division saw the very pleasing trend it began in 2009 continue in the first quarter of 2010. As in 2009, DCM bonds and DCM loans were the main drivers of performance. The Fixed Income & Currencies division also got off to an excellent start in 2010. Equity Markets & Commodities posted a stable performance as expected, across all product lines. At €731m in the first quarter of 2010, operating income before provisions was down 8.3% on the same quarter of the previous year. It should be noted, however, that the figures for the first quarter of 2009 still included results from areas that have been discontinued or drastically reduced in the new business model.

Net interest income rose by 19.2% year-on-year to €211m, due in part to structured financing. Due to reversals of existing valuation allowances the provisions account posted a positive result of €19m, whereas a charge of €254m was reported in the first quarter of 2009. Net commission income dropped slightly by 5.0% to €76m. Net trading income amounted to €449m and, due to the developments described above, was down 21.8% on the same quarter in 2009. This result was, however, significantly higher than in the three previous quarters and shows that the business model realignment was successful. Net investment income and other income improved by €5m and €24m, respectively. Operating expenses fell by 17.8% to €411m. In all areas, staff reduction targets, and thus substantial cost synergies, were achieved much sooner than originally planned. With an operating profit of €339m, Corporates & Markets made the biggest positive contribution to consolidated results in the first quarter of 2010.

With a 20.2% decrease in the average amount of capital employed (€3.8bn), operating return on equity was 35.4% (Q1 2009: 3.6%). The cost/income ratio improved marginally, from 62.7% to 56.2%.

Asset Based Finance: impacted by commercial real estate markets in the US

Despite the subdued economic recovery in the US and Europe, the effects of the financial market crisis continued to have a negative impact on the segment, particularly since the international real estate and shipping markets are currently in an extended period of correction. New commitments in real estate financing amounted to €1.3bn in the first quarter of this year, compared with €0.1bn in the corresponding period of 2009. Public and ship financing saw no significant new business during the period. The portfolio reduction strategy already initiated in Real Estate and Public Finance was consistently continued. Overall the segment reported a negative result for the first quarter.

Net interest income rose in the first quarter of 2010 by 14.7% to €296m in comparison with the corresponding period last year. The drivers of this development were significantly higher margins in new business and renewals as well as less expensive funding costs. The ongoing difficulties in the real estate markets, particularly in the US, had a noticeable impact on provisions, which rose 57.0% year-on-year to €325m; half of this figure related to general loan loss provisions. Net commission income rose by 39.7% to €88m; the main drivers were increased earnings in commercial real estate finance, essentially as a result of restructuring outside of Germany, and in asset management, from fund management fees. While net trading income amounted to €262m a year earlier, a loss of €4m was recognized in the first quarter of 2010. The figure for the first quarter of last year included positive effects from the IFRS treatment of derivatives and the profitable unwinding of the total return swap position. Net investment income was practically flat in the period under review, following a loss of €43m for the comparable period of 2009. Operating expenses decreased by 9.5% to €152m. This decrease was visible in personnel and while other operating expenses were almost flat. The main reason for the drop in personnel expenses was a reduced headcount, particularly due to restructuring measures. The result was an operating loss of €86m for the first quarter of 2010. The result of €168m for the first quarter of 2009 was positive mainly given the one-off effect from the unwinding of a total return swap.

The operating return on equity based on an average capital employed of €6.4bn was –5.3% (Q1 2009: 9.1%). The cost/income ratio was 38.9% (Q1 2009: 30.9%).

Portfolio Restructuring Unit: positive contribution to consolidated results

In the first quarter of this year, the Portfolio Restructuring Unit (PRU) witnessed a clear return of investor interest. This led to a significant improvement in market liquidity, particularly in Credit Flow and Structured Credit, in high-grade ABS paper and CMBSs, and thus to a positive result. PRU also made good progress in managing down its portfolios, with the structured credit and credit trading portfolios reduced by €1.8bn and €1.1bn, respectively.

Net interest income contracted €49m year-on-year to €23m. Loan loss provisions decreased from €71m to €22m. Trading profit increased sharply, up €1,541m on the first quarter of 2009 to €282m. This is attributable to both the gains realized through the active reduction of the portfolio and reversals of previous impairments on structured securities. The loss recognized in the net investment result contracted by €41m compared with the year-back figure, amounting to €–94m. Results were impacted here by impairments on RMBSs. Operating expenses amounted to €24m in the period under review, €9m less than in the first quarter of 2009. In the first quarter of this year, the PRU segment reported an operating profit of €162m, compared with a year-earlier loss of €1,415m.

Average capital employed amounted to €1.4bn (Q1 2009: €1.9bn).

Others and Consolidation

The Others and Consolidation segment contains income and expenses not attributable to the business segments. In the first quarter of this year, operating income totaled €20m, compared with a figure of €309m in the first quarter of 2009. This development reflects various one-off effects. It should be noted that a special set of circumstances applied in 2009. Since, to facilitate comparison, the results of the market segments cover the period from January 1, 2009 to December 31, 2009, the difference versus the consolidated profit/loss, which for Dresdner Bank only covers the period from January 13 to December 31, 2009, is reported under the Others & Consolidation segment.

In the period under review, the dominant element in operating income before provisions was Treasury income; in net interest income, there was a clear impact from the non-servicing of coupons on hybrid bonds and profit-sharing certificates. Running counter to this were measurement effects from the use of hedge accounting in accordance with IAS 39 on interbank transactions, which were negative on a net basis. The decline in net investment income is attributable to high gains on disposals of investments in associates in the first quarter of 2009. Increased operating expenses mainly related to integration expenses for service and management functions as part of the “Growing together” project, Treasury costs not allocated to the business segments, expenses in relation to company law, and other operating expenses in connection with compliance with SoFFin requirements.

Outlook and opportunities report

The following information should always be read in conjunction with the Business and overall conditions section of this interim report as well as the Outlook and opportunities report published in the 2009 annual report.

Future economic situation

Global economic recovery seems set to continue. However, in the industrialized nations in particular, this recovery will start off weaker than in previous upturns because the correction of the excesses that preceded the recession there has still not run its full course. For example, despite a marked decline, the level of investment in construction is still much too high in places, while in many countries private households and companies will have to pay down the significantly higher amounts of debt they took on, and this in turn will curb demand. Moreover, in the eurozone in particular, in the coming year at the latest the economy will run into strong headwind due to the financial policies put in place by governments forced to noticeably reduce their budget deficits.

Germany has been spared much of these excesses in recent years, meaning that a correction is not necessary here – neither in construction nor in the debt levels of private households and companies. The need for consolidation in the public sector is also much less significant in Germany than in most other European countries, and Germany's economy, which is geared to exports and capital goods, is set to reap above-average benefits from global economic recovery. On a less positive note, however, the country will be affected by the somewhat lacklustre economic growth experienced by many of its trading partners in Europe. While the German economy will probably record slightly stronger growth (1¾%) than in the eurozone (+1%), this figure would be somewhat disappointing for the first year of an upturn, especially against the extremely expansive monetary backdrop.

Given the rather subdued nature of the recovery in the global economy, overall capacity utilization will remain low for some time in the industrialized countries. Initially this will result in an easing of inflationary pressures. In this environment, the most important central banks will hold off a bit longer before exiting their low interest rate policies. We expect the first rate hike from the Fed at the end of the year, with the ECB probably not following suit until spring 2011.

With inflation still on the weak side and central banks holding off on rate hikes, the current structural low interest rate environment is set to remain in place for the time being. The situation on the European bond market should also ease over the medium term following promises to provide assistance to Greece. Yield spreads will narrow further, although they will not return to pre-crisis levels. The euro is set to give up more ground against the dollar, since the gap in the interest rates will likely develop increasingly in favour of the US currency. Furthermore, the crisis in Greece drawn the currency markets' attention to the structural problems within the European currency union, and this will continue to weigh on the euro for the time being.

Future situation in the banking sector

Many European banks reported better figures in the fourth quarter of 2009 than in the preceding year. For example, most big banks in Europe saw a positive return on equity again, benefiting in particular from improvements in trading business and in the interest rate environment.

Although many economists have already declared the recession over and at Commerzbank our forecast is for eurozone GDP growth of 1.0% and 1.3% in 2010 and 2011, respectively, banks are likely to continue to find themselves operating in a difficult environment. The fallout from the economic crisis will continue to pose problems in the banking sector. Nevertheless, many banks were already able to see an improvement in terms of their provisioning situation in the fourth quarter of 2009. This trend should become more pronounced over the course of this year, provided the economy does not relapse into recession.

From a regulatory point of view an overall tightening is to be expected in the banking sector over the medium term. Germany has already announced a bank tax and the federal cabinet has laid the foundation for a bank stability fund. The exact form this will take is still unknown, however. Additionally, significantly stricter rules are on the horizon for German, European and international banks as a result of the regulatory changes brought by Basel III.

The banking sector is still undergoing fundamental restructuring in the wake of the financial market crisis. For example, many banks are refocusing on core business. Under the watchwords "deleveraging" and "derisking", banks are continuing to scale back their total assets and risk-weighted assets. In addition, many institutions are pursuing cost-cutting programmes.

Financial outlook for the Commerzbank Group

Financing plans

Further capital market measures are based on the funding plan approved for 2010. This plan is reviewed regularly and, if necessary, adapted to reflect changed requirements. The basis for issue planning in the capital markets is the stable funding concept, which identifies the structural liquidity requirement of the Bank's core lending business as well as those assets that cannot be liquidated within one year, and compares these to the liabilities available to the Bank over the long term (including core customer deposit bases).

Plans for Pfandbrief issues are also impacted by the changes this year to S&P's valuation methods for covered bonds, and related voluntary excess cover.

Commerzbank expects to be able to continue to build, over the course of the year, on the successful issue activities it witnessed in the first quarter. The Commerzbank Group still plans to raise total funds of approximately €20bn in 2010, with unsecured issues to account for around 30–40% of the total and secured issues 60–70%.

Although we expect the capital market environment to remain volatile, average funding costs on the capital market should be lower this year than in the previous year.

Planned investments

With respect to investments there are no significant changes from the plans announced in the 2009 annual report.

Liquidity outlook

Overall, the markets continue to have a sufficient supply of liquidity, as evidenced by the still high levels of utilization of the central bank deposit facility.

Commerzbank expects that the Group will be able to continue to secure sufficient liquidity in the coming quarters. Moreover, there are no signs of an immediate change in the central banks' existing expansive money market policies due to the still fragile condition of the economy as a whole. Neither the announced changes in the open market operations of the ECB nor possible modification of the criteria on the collateral list will have a significant direct impact on the Bank's liquidity situation, since, in line with its policy of conservative liquidity management, Commerzbank primarily uses central bank facilities in the form of main funding transactions to offset liquidity spikes. Commerzbank has furthermore taken a conservative approach to drawing on other central bank liquidity measures in the past. The Bank is nevertheless closely following developments related to the central bank exit strategies for absorbing excess market liquidity that have been introduced, planned, and are currently under discussion and will take any possible changes into account in liquidity management in good time.

In the first quarter, the benchmark 3-month Euribor/Eonia spread moved at a stable level of around 30 basis points. At present we do not foresee a further contraction or narrowing of the spread; instead, we expect it to change very little during the current business year. A widening of spreads could result from the regulatory changes currently under discussion and the implementation of central bank monetary policy measures aimed at absorbing liquidity from the market.

General statement on the outlook for the Group

Although business in the first quarter developed better than expected, it is still too early to adjust our forecast for the year. We will probably be in a position to give a new estimate when we publish our half-year results.

Despite the promising start to the year Commerzbank will only post a profit for the year as a whole if the economy and financial markets develop well. While the most recent signals from economies in the eurozone, the German economy and the markets have been encouraging, the risk of a setback spreading to other countries cannot be ruled out, as the case of Greece illustrates clearly. In addition, repercussions of the economic and financial crisis, in particular those that only become visible with a certain time lag, will ensure that 2010 remains another challenging year.

While keeping a close eye on further developments in market conditions, we will continue with our Roadmap 2012 agenda and are confident that we will make good progress here as well during the course of the year.

Our focus will be on continuing the integration of Dresdner Bank and improving our operating business. The next milestone in the integration will be the launch of our new brand throughout the branch network from mid-June. Among specific steps we will take toward improving profitability, we will be restructuring our real estate asset management subsidiary Commerz Real. We expect this to produce restructuring expenses within the Asset Based Finance segment in the low to mid tens of millions in the second or third quarter of the year.

Report on post-balance sheet date events

In mid-April Commerzbank AG sold its subsidiary Allianz Dresdner Bauspar AG (ADB), which specializes in home loan savings, to Wüstenrot Bausparkasse AG. Commerzbank and Wüstenrot also agreed a long-term exclusive distribution venture for savings and loan products. Wüstenrot's products are attractive for Commerzbank's customers and will strengthen the Bank's position in the market. The parties have agreed to maintain confidentiality about the details. The transaction is still subject to the necessary approvals from the authorities. The sale of Allianz Dresdner Bauspar is part of the agreements connected to the assistance received from the Financial Market Stabilization Fund (SoFFin). As at the end of 2009, the company had roughly 670,000 customers and total deposits of €21bn. It employed a staff of approximately 350.

There were no other significant business events.

Interim Risk Report

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Risk-oriented overall bank management

1. Risk management organization

Commerzbank defines risk as the danger of possible losses or profits foregone due to internal or external factors. Risk management normally distinguishes between quantifiable risks – those to which a value can normally be attached in financial statements or in regulatory capital requirements – and non-quantifiable risks such as reputational and compliance risks.

Responsibility for implementing the risk-policy guidelines laid down by the Board of Managing Directors for quantifiable risks throughout the Group lies with the Bank's Chief Risk Officer (CRO). The CRO regularly reports to the Board of Managing Directors and the Risk Committee of the Supervisory Board on the overall risk situation within the Group.

Risk management activities are split between Credit Risk Management, Market Risk Management, Intensive Care and Risk Controlling and Capital Management. They all have a Group-wide focus and report directly to the CRO. Together with the four Division Boards, the CRO forms the Risk Management Board within Group Management.

Details on the risk management organization at Commerzbank may be found in the 2009 Annual Report.

2. Risk-taking capability and stress testing

Commerzbank's risk-taking capability approach is based on risk/return-oriented management. Risk-taking capability is monitored on a monthly basis by comparing the capital requirement arising from the portfolio's risk profile against potential risk cover, i.e. the amount of capital available to absorb any risks that materialize.

All significant risks are measured by taking account of portfolio-specific and economic conditions as well as the statutory banking supervisory framework. This involves using the regulatory and economic capital model to analyse the Group's capital requirement. In doing so, the confidence requirement of 99.95% exceeds the regulatory provisions in the economic capital model and moreover takes account of portfolio-specific interactions. To allow for increased systemic risks the correlation assumptions in the internal credit risk model were raised again in the first quarter of 2010 in order to appropriately factor in current economic conditions when computing the economic capital requirement.

Since January 2010 a distinction has been made between the regulatory and economic models for defining potential risk cover. The legally defined core capital continues to be set against regulatory capital requirement as potential cover. In the internal economic model, the Bank is systematically geared towards the protection of preferred creditors in the event of liquidation, producing a compatible definition of capital requirements and risk cover potential in the economic risk-taking capability approach. In practical terms, this means that economic risk capital in the event of liquidation also consists of subordinated components of capital, in addition to core capital, but these are reduced by positions that would not be available if liquidation occurred (e.g. negative revaluation reserve).

The economic capital ratio calculated on this basis stood at 16.3% at March 31, 2010. The internally defined minimum requirement of 8% was met at all times during the period under review.

Commerzbank uses comprehensive stress tests to estimate the sensitivities of capital requirements and risk cover potential and to derive early warning indicators. In the so-called parameter stress test a deterioration of all relevant risk parameters is assumed. The minimum requirement for the stressed economic capital ratio was likewise raised to 8% in January 2010 to improve the early warning functionality and this was met at all times in the period under review. The stressed economic capital ratio was 10.0% as at March 31, 2010.

Macroeconomic stress tests are also used to check the portfolio's robustness in the face of changed economic conditions, where the income side and potential risk cover are put under stress as well as the capital requirement. As part of the risk-taking capability check, the results of the macroeconomic scenario analyses are also set against the minimum 8% economic capital ratio requirement which was met at all times in the period under review.

Risk-taking capability in the Commerzbank Group | in € bn	**31.3.2010**	**31.12.2009**
Tier I core capital	**30**	**30**
Regulatory RWA	**279**	**280**
thereof credit risk	247	246
thereof market risk	11	14
thereof operational risk	20	20
Tier 1 capital ratio	**10.8%**	**10.5%**
Capital available for risk coverage	**40**	**39**
Economic RWA excl. diversification	**286**	**283**
thereof credit risk	179	173
thereof market risk	54	63
thereof operational risk	33	31
thereof business risk	21	16
Diversification between risk types	**42**	**43**
Economic RWA incl. diversification	**244**	**240**
Economic RWA (stress scenario)	**396**	**358**
thereof credit risk	216	206
thereof market risk	106	79
thereof operational risk	51	53
thereof business risk	23	20
Economic capital ratio incl. diversification[1]	**16.3%**	**16.1%**
Economic capital ratio (stress scenario)[1]	**10.0%**	**10.8%**

[1] As at December 2009 using the current methodology

Default risk

Default risk refers to the risk of losses due to defaults by counterparties as well as to changes in this risk. Country risk, issuer risk and counterparty and settlement risk in trading transactions are also subsumed under default risk.

1. Commerzbank Group by segment

The following risk parameters are used to manage and limit default risk: exposure at default (EaD), expected loss (EL), unexpected loss (UL = economic capital consumption with a confidence level of 99.95% and a holding period of one year) and risk density (EL/EaD). These are distributed over the segments as follows:

Credit risk parameters by segments as at 31.3.2010	**Exposure at Default** in € bn	**Expected Loss** in € m	**Risk density** in bp	**Unexpec-ted Loss** in € m
Core bank	**340**	**1 341**	**39**	**8 595**
Private Costumers	76	273	36	1 119
Residencial mortgage loans	36	124	34	
Investment properties	5	18	34	
Individual loans	14	70	49	
Consumer and installment loans/ credit cards	11	51	45	
Domestic subsidiaries	4	6	15	
Foreign subsidiaries and other	5	4	8	
Mittelstandsbank	112	487	44	3 638
Financial Institutions	19	82	44	
MSB Domestic	65	294	46	
MSB International	28	111	39	
Central & Eastern Europe	24	229	95	772
BRE Group	20	120	59	
CB Eurasija	1	31	253	
Bank Forum	1	66	1 000	
Other	2	12	60	
Corporates & Markets	83	328	40	2 664
Germany	29	142	49	
Western Europe	29	124	43	
Central and Eastern Europe	3	7	27	
North America	13	38	29	
Other	9	16	18	
Others and Consolidation	46	24	5	401
Optimization – Asset Based Finance	**246**	**721**	**29**	**4 553**
Commercial Real Estate	75	313	42	
Eurohypo Retail	19	38	20	
Shipping	27	283	104	
thereof ship financing	*23*	*258*	*114*	
Public Finance	125	87	7	
Downsize – PRU	**31**	**145**	**47**	**1 169**
Total	**617**	**2 207**	**36**	**14 317**

1.1 Private Customers

The EaD volume fell slightly to €76bn in the first quarter of 2010 due to the continued systematic focus on value-creating new business in the slightly reshaped segment.

The effect of the recession at the end of 2008/beginning of 2009 on the relevant macroeconomic risk factors has been much less severe than originally expected. Unemployment in particular has been relatively moderate as a result of the measures introduced to stabilize the economy.

Although loan loss provisions in the first quarter of 2010 rose as expected compared to the prior year's quarter, they were in line with planned levels due to the risk mitigation measures already initiated last year for new and existing loans. Despite risk density rose less than expected the risk assessment remains cautious.

1.2 Mittelstandsbank

The effects of the financial and economic crisis on the credit portfolio were less pronounced in the first quarter of 2010, with government economic programmes having a positive impact on customers in the SME sector in Germany in particular. The already significant improvements in the economic situation of some countries can also be seen in other Mittelstandsbank market segments, Western Europe and Asia. However, the sustainability of this recovery needs to be confirmed as the year progresses.

Lending volumes rose slightly in the first quarter, also supported by Commerzbank's SME growth program. With an exposure of €65bn (58% of the portfolio), Corporate Banking in Germany remains the segment's core business.

For the forthcoming quarters in 2010, more negative rating migrations can be expected initially due to the greater prominence of business figures from 2009 which was a difficult year in economic terms. Nevertheless, the number of restructuring cases and insolvencies should start to fall this year, leaving the overall portfolio predominantly in the investment grade segment.

For developments in Financial Institutions see section 2.3.

1.3 Central & Eastern Europe (CEE)

Central and Eastern Europe was largely dominated by the financial crisis in 2009. The deterioration in risk data reflected the economic downturn, but the first quarter of 2010 saw the first signs of economic stabilization. Ukraine was hit particularly badly by the crisis in recent years. Although there are indications that some sort of a bottom has been reached in 2010, we still see a tense risk situation here.

In Russia the situation has stabilized due to the recovery of commodity prices. Currency reserves are rising and the economy is again recording moderate growth. CB Eurasija's portfolio is expected to show a general improvement in risk for 2010. Risk density therefore improved slightly in the first quarter, but at 253 basis points is still at a high level.

Poland’s economic performance has also picked up this year compared to other countries in Central and Eastern Europe, with the continued appreciation of the zloty against the euro a sign of this positive economic trend. With an exposure of €20bn, the Polish BRE Group again reported an improved risk density of 59 basis points.

1.4 Corporates & Markets

There was a further fall in concentration risk in Financial Institutions and Corporate Customers in the first quarter. But the improved market environment also attracted new business with good credit-rated customers. New business opportunities are also emerging in Leveraged Acquisition Finance, which we are assessing very selectively in line with the Bank's conservative risk strategy. The segment's regional focus was on Germany and Western Europe with €58bn. The proportion accounted for by North America fell back due to a portfolio reduction in the Corporates sector.

1.5 Asset Based Finance

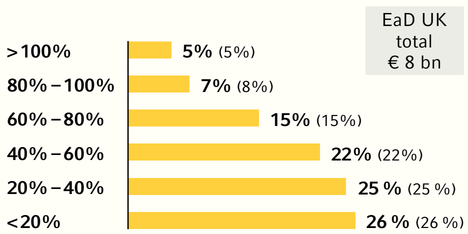
Asset Based Finance (ABF) comprises the Commercial Real Estate (CRE), including CRE Asset Management, Eurohypo Retail, Ship Financing and Public Finance sub-portfolios, which are shown in detail below.

Commercial Real Estate The overall exposure for CRE, which is mainly located in Eurohypo, was €75bn at March 31, 2010. The main components are the sub-portfolios Office (€27bn), Commerce (€21bn) and Residential Real Estate (€10bn). The portfolio was reduced by some €2bn in the first quarter of 2010 compared to the end of 2009 (primarily through repayments), in line with the Bank's strategy.

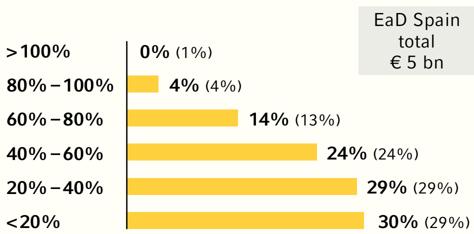
The CRE exposures also contain the CRE Asset management (mainly Commerz Real) portfolios, which are composed of holdings in the immovable and movable property sector with real underlyings.

The lending portfolio, which is secured by mortgages, continued to exhibit satisfactory to good loan-to-value ratios. In the USA the difficult market conditions are still visible, but the extreme negative corrections in market value have subsided worldwide.

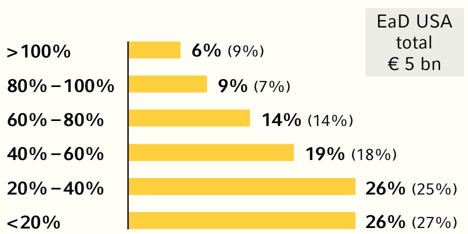
Loan to Value – UK[1]
stratified representation



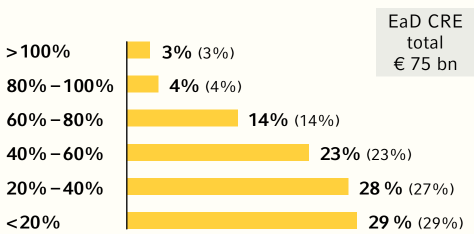
Loan to Value – Spain[1]
stratified representation



Loan to Value – USA[1]
stratified representation



Loan to Value – CRE total[1]
stratified representation



[1] LtVs based on market values; excl. margin lines and corporate loans; additional collateral not taken into account

All figures relate to business secured by mortgages.
Values in parentheses: December 2009

Eurohypo Retail EaD was €19bn as at March 31, 2010. The portfolio comprises owner-occupied homes (€11bn), owner-occupied apartments (€4bn) and multi-family houses (€3bn). Despite good loan-to-value ratios due to the residual terms in this portfolio, which is secured predominantly by prime collateral, the risk assessment remains cautious.

Ship financing Due to currency fluctuations the exposure of Ship Financing including the full consolidation of Deutsche Schiffsbank AG (92%-owned subsidiary) rose slightly to €23bn in the first quarter of 2010. The portfolio still focuses on the three standard types of ship, namely containers (€7bn), tankers and bulkers (€5bn each). Various special tonnages account for the remaining €6bn.

The strategy of systematic risk reduction in existing business resulted in an initial stabilization in the period under review through joint efforts with customers, but to date this is not yet reflected in the risk ratios. In line with market developments, the expected loss thus rose by €26m to €258m and risk density by 8 to 114 basis points.

The predicted 4% growth in the global economy and the volume of trade resulting therefrom with its corresponding effects on the demand for transport stands in contrast to the influx of additional newly-built ships on the market, the limited scrappage potential and falling customer liquidity reserves. In this respect, a further portfolio drift into the non-investment grade area or problem loans should be expected.

Nevertheless, the current market environment with stronger demand for capacity and better charter prices again offers opportunities for new and additional business which is supported selectively based on sustainable structures with existing quality names.

Public Finance The Public Finance portfolio comprises receivables and securities, with predominantly long maturities, some of which are held in the Available for Sale (AfS) category, but most of which are held as Loans and Receivables (LaR) by Eurohypo and EEPK. Borrowers in Public Finance business (€80bn EaD) are sovereigns, federal states, regions, cities and local authorities as well as supranational institutions. The main exposure is in Germany and Western Europe.

The remaining portfolio was accounted for by banks (€45bn EaD), with the focus on Germany and Western Europe (approx. 93%). Most of the banking portfolio comprised securities/loans which to a large extent feature grandfathering, guarantee/maintenance obligations or other public sector declarations of liability, or were issued in the form of covered bonds.

Approximately €26.5bn of the total Public Finance EaD is accounted for by Greece, Ireland, Italy, Portugal and Spain.

Public Finance: Exposures of selected countries | in € bn	**31.3.2010**
Greece	**3.1**
Ireland	**1.0**
Italy	**10.7**
Portugal	**1.9**
Spain	**9.8**

The EaD for the Public Finance portfolio was reduced in 2010 by a further €4bn to €125bn in total. The overall target reduction is €100bn by the end of 2011.

1.6 Portfolio Restructuring Unit (PRU)

The PRU manages only assets that have been classified as non-strategic by Commerzbank and are therefore being wound down. These are structured credit positions (mainly asset backed securities – ABS) with a nominal value as at March 31, 2010 of €33.9bn (shown in detail in section 2.1.1) and other non-structured credit positions of €0.8bn net. Other items in the PRU include mainly bonds, loans, credit default swaps and tranches on pools of credit default swaps which are outside Commerzbank's strategic focus. Bundling allows these positions to be managed uniformly and efficiently. The other positions are actively immunized against market movements using credit default swaps and standardized credit indices and index tranches. The book exhibits a concentration in the rating classes BBB and BB and the overall risk exposure to counterparties in the financial sector remains low. The positions are managed within narrow limits for VaR and credit spread sensitivities. The ongoing positive trend of market developments with falling credit spreads led to an absolute fall in market values since the beginning of the year for both bought and sold credit default swap positions. Further reductions in the volume of non-structured bonds and loans were achieved in the reporting period.

2. Cross-segment portfolio analyses

It is important to note that the following positions are already contained in full in the Group and segment presentations.

2.1 Structured Credit Portfolio

Structured Credit Portfolio	31.3.2010		31.12.2009	
in € bn	Nominal values	Risk values[1]	Nominal values	Risk values[1]
PRU	**33.9**	**21.2**	**37.3**	**23.7**
RMBS	8.7	6.1	8.7	5.9
CMBS	1.4	1.0	2.2	1.6
CDO	11.4	6.6	12.5	7.3
Other ABS	4.1	3.6	5.7	5.2
PFI/Infrastructure	4.2	3.9	4.1	3.7
CIRC	0.8	0.0	0.9	0.0
Other Structured Credit positions	3.3	0.0	3.2	0.0
Non-PRU	**12.9**	**12.4**	**13.1**	**12.6**
Conduits	5.5	5.5	5.9	5.9
Other	7.4	6.9	7.2	6.7
Total	**46.8**	**33.6**	**50.4**	**36.3**

2.1.1 Structured Credit Exposure PRU

Spreads in the market for structured credit products, such as CDOs, CMBSs and RMBSs continued to narrow in the initial months of 2010. The senior tranches of these securitization structures were the main beneficiaries, while the narrowing of spreads in the lower rating categories was less marked.

However, the bank continued to make use of the ongoing market recovery to systematically and significantly reduce the exposure. In the first quarter of 2010 the nominal volume was substantially lowered the from €37.3bn to €33.9bn, with a reduction in risk values[1] from €23.7bn to €21.2bn. The structured credit portfolio will continue to be managed down with the emphasis on value maximization.

The following table shows the breakdown of structured credit exposures by rating, based on the risk values.

Rating breakdown Structured Credit Portfolio | in %	31.3.2010
AAA	37
AA	10
A	13
BBB	23
< BBB	17

Asset Backed Securities (ABS) These are investments in ABS securities that were made by Commerzbank as part of its replacement credit business or in its function as arranger and market maker in these products. Compared with the previous reporting here for the first time

[1] The risk value or the risk exposure is the nominal value of the assets plus the positive or negative cash value of any existing derivative short position.

positions are classified into the product segments RMBS, CMBS, CDO and Other ABS. This reflects the declining importance of the previous PRU sub-portfolios ABS Hedge Book and Conduits and helps to portray the portfolio in a clear and asset-specific manner.

Residential Mortgage Backed Securities (RMBS) This sub-segment contains all the position, whose interest and principal are secured by private mortgage loans or are contractually linked to their real development. The mortgage loans themselves are likewise partially or fully secured by the residential property being financed. The total risk exposure here at the end of the reporting period was €6.1bn (December 31, 2009: €5.9bn).

The holdings of direct and indirect securitizations of US mortgage loans have already been written down to a high percentage. In spite of the loan repayments we are currently receiving in some cases due to the seniority of our investments, the continuing instability of the sector's performance is likely to result in some further impairments in 2010. The US RMBS portfolio had a risk value of €1.0bn at the end of the quarter (December 31, 2009: €0.9bn). The mark-down ratio for US RMBSs was 67% at March 31, 2010.

European RMBS positions benefited from impairment reversals due to improved fundamentals (unemployment, house prices). The mark-down ratio for European RMBSs was 7% at March 31, 2010 on a weighted basis. The performance of Spanish RMBSs is being particularly observed. The uncertain expectations are generating relatively high credit spreads compared with other European RMBS markets.

Rating breakdown RMBS | in %	**31.3.2010**
AAA	67
AA	5
A	11
BBB	4
< BBB	13

Commercial Mortgage Backed Securities (CMBS) This sub-segment contains all the positions whose interest and principal are secured by commercial mortgage loans or are contractually linked to their real development. The mortgage loans themselves are likewise partially or fully secured by the commercial property being financed.

The CMBS portfolio had a risk value at the end of March 2010 of just under €1bn (December 31, 2009: €1.6bn), with the underlyings deriving principally from the UK/Ireland (20%), the USA (14%) and Germany and Benelux (11%). Those with a AAA rating accounted for 28%, with AA and A ratings accounting for 10% and 15%, respectively.

Realized credit losses on CMBS positions have been limited to date, although a significant increase is anticipated over the medium term. The PRU's CMBS portfolio has already been marked down significantly. We took advantage of the favourable development in spreads at the beginning of the year to reduce CMBS holding by a nominal amount of approx. €0.8bn. The mark-down ratio at March 31, 2010 was 23%.

Rating breakdown CMBS | in %	**31.3.2010**
AAA	28
AA	10
A	15
BBB	35
< BBB	12

Collateralized Debt Obligations (CDO) This sub-segment contains all the positions whose interest and principal are secured by corporate loans and/or bonds and other ABSs, or which are contractually linked to their real development. The degree of collateralization of these assets varies from very low to very high and is dependent on the transaction.

The total risk exposure here at the end of the reporting period was €6.6bn (December 31, 2009: €7.3bn). The largest component consists of CDOs, which contain loans to corporates in the US and Europe (CLOs), with each region accounting for roughly the same amount. These asset classes benefited from both declining default rates in the corporate sector and reduced credit spreads. Nevertheless, transaction-specific losses are still possible as a result of individual corporate defaults.

CDOs that contain US ABSs (particularly US RMBSs) are the second-largest group in terms of risk exposure. This asset is directly dependent on the performance of the underlying ABS. The performance of US RMBSs is regarded as particularly negative, while US consumer ABSs have up to now been relatively stable. Transaction-specific pool compositions (vintage, asset type) and the CDO structure define the individual risk profile of the exposure. The mark-down ratio for CDOs of US ABSs was accordingly 57%. Classic CLOs, on the other hand, had a mark-down ratio of around 17% at the reporting date.

Rating breakdown CDO | in %	**31.3.2010**
AAA	14
AA	15
A	11
BBB	36
< BBB	24

Other ABS This sub-segment contains all the positions whose interest and principal are secured by consumer loans (including student loans, automobile financing), lease receivables and other receivables or which are contractually linked to their real development. The degree of collateralization of these assets varies from very low to very high (e.g. auto loans) and is dependent on the transaction.

The total risk exposure in this asset class at March 31, 2010 was €3.6bn (December 31, 2009: €5.2bn). The largest part of this risk exposure is accounted for by Consumer ABSs and ABSs that are secured by other US assets, such as film receivables and insurance policies. An improvement or stabilization in the fundamentals has shown an effect on the performance of this asset class to date. Nevertheless, if the economy goes into reverse this can also have an impact on the performance of such transactions.

The portfolio of Consumer ABSs in particular US Consumer ABSs was reduced actively and significantly in the course of the first quarter. The exposure to US Student Loan ABSs existing at year-end 2009 was completely reduced during the first quarter of the year. The mark-down ratio of the remaining positions in this segment was 14% at the reporting date.

PFI/Infrastrucure financing The PRU's Structured Credit category also contains exposures to so-called Private Finance Initiatives (PFIs) with a risk exposure of €3.9bn at March 31, 2010. The portfolio consists of private financing and operation of public facilities and services, such as hospitals and water utilities. All funding in the PRU portfolio relates to the UK and is characterized by extremely long maturities of between 20 to 25 years. Some of the portfolio's credit risk is hedged through monoline insurers.

Credit Investment Related Conduits (CIRC) This sub-segment contains all the positions relating to special purpose vehicles established to finance third-party credit investments (Credit Investments Related Conduit – CIRC). Portfolios in which Commerzbank is involved in the financing, include ABSs and to a minor extent leverage loans. The nominal positions do not result in any risk exposure at March 31, 2010.

At the end of the quarter, the direct exposure to ABS-CIRC structures was reduced from the 2009 year-end value of €0.9bn nominal to €0.8bn. We continue to expect no losses from these risk positions.

Other Structured Credit positions This sub-segment contains all the positions from portfolio investments that were financed by Commerzbank but where the credit risk was transferred to third parties via total return swaps (TRSs).

The nominal positions of €3.3bn (December 31, 2009: €3.2bn) do not result in any risk exposure at March 31, 2010.

2.1.2 Structured Credit Exposure non-PRU

Below are details of structured credit positions from our strategic customer business which will continue to be allocated to the core bank in future and were therefore not transferred to the PRU. These are conduit exposures in the segment Corporates & Markets and other mainly government-guaranteed ABSs held by Eurohypo and CB Europe (Ireland). With the exception of conduit business, Commerzbank is not engaging in any ABS new business in these segements. When combined with the information given in section 2.1.1 (structured credit or ABS exposures in the PRU), this gives an overall view of the structured credit or ABS product category.

Conduit-Exposure The asset backed commercial paper (ABCP) conduit business of Corporates & Markets, which is reported in full on Commerzbank’s balance sheet and is not managed by the PRU, amounted to €5.5bn at the end of March 2010 (December 2009: €5.9bn). The slight decline in exposure is due to amortizing ABS programmes in the conduits. The majority of these positions consists of liquidity facilities/back-up lines granted to the conduits Kaiserplatz and Silver Tower administered by Commerzbank. The low remaining exposure to third-party conduits consists almost exclusively of liquidity lines for one outstanding transaction.

The underlying receivables of the Bank's ABCP programmes are strongly diversified and reflect the differing business strategies pursued by the sellers of receivables or customers. These receivable portfolios do not contain any US non-prime RMBS assets. To date, we have not recorded losses on any of these transactions. We do not currently see any need for loan loss provisions in respect of the liquidity facilities/back-up lines classified under the IFRS category Loans and Receivables.

Rating breakdown conduits non-PRU | in %	31.3.2010
AAA	29
AA	30
A	30
BBB	8
< BBB	2

The volume of the ABS structures issued by Silver Tower was €4.6bn as at March 31, 2010 (€5bn at December 31, 2009). The ABS structures are based on customers' receivable portfolios as well as in-house loan receivables (Silver Tower 125, volume €1.7bn), which were securitized as part of an active credit risk management.

The volume of ABS structures funded under Kaiserplatz was €0.9bn as of March 31, 2010 (December 31, 2009: €0.9bn). Virtually all of the assets of Kaiserplatz consist of securitizations of receivable portfolios of and for customers.

Other Asset Backed Exposures Other ABS positions with a total risk exposure of €6.9bn were held mainly by Eurohypo in Public Finance (€5.4bn) and by CB Europe (Ireland) (€1.2bn). This was principally government guaranteed papers (€5.5bn), of which about €4.1bn was attributable to US Government Guaranteed Student Loans.

A further €0.3bn were related to non-US RMBSs, CMBSs and other mainly European ABS paper.

Originator positions In addition to the secondary market positions discussed above, Commerzbank and Eurohypo have in recent years securitized receivables from loans to the Bank's customers with a current volume of €13.9bn, primarily for capital management purposes, of which risk exposures with a nominal value of €8.9bn were retained as at March 31, 2010. By far the largest portion of these positions is accounted for by senior tranches of €8.2bn, which are nearly all AAA/AA rated.

The exposures stemming from the role of originator reflect the perspective of statutory reporting, taking account of a risk transfer recognized for regulatory purposes. In addition to Commerzbank's securitized credit portfolios, securities repurchased on the secondary market and/or tranches retained are also listed. This applies regardless of whether the tranches were structured in the sense of creating a tradable security.

			Commerzbank volume[1]		
Securitization pool as at 31.3.2010 in € bn	Maturity	Total volume[1]	Senior	Mezzanine	First Loss Piece
Corporates	2013 – 2027	8.1	7.4	0.1	0.2
MezzCap	2036	0.2	<0.1	<0.1	<0.1
RMBS	2048	0.3	<0.1	<0.1	<0.1
CMBS	2010 – 2084	5.2	0.8	0.3	<0.1
Total		13.9	8.2	0.4	0.3

[1] Tranches/retentions (nominal): banking and trading book

2.2 Leveraged acquisition finance (LAF) Portfolio

There were changes to the direct LAF portfolio in the first quarter of 2010 through valuation of new transactions and also through the early and full repayment of two transactions. Planned amortizations and adjustments were also made to existing commitments, bringing the portfolio's overall exposure to €4.2bn.

The well diversified portfolio is characterized by a high level of granularity. Geographically its main part remains in Europe (92%) with a strong focus on Germany (50%). The companies in this portfolio are comparatively vulnerable to economic developments because of their generally higher debt levels.

Direct LAF portfolio by sectors | EaD in € bn	**31.3.2010**
Chemicals/Plastics/Healthcare	0.8
Technology/Electrical industry	0.6
Financial Institutions	0.6
Consumption	0.6
Services/Media	0.3
Mechanical engineering	0.4
Transport/Tourism	0.3
Basic materials/Energy/Metals	0.3
Other	0.3
Total	**4.2**

The upturn in market activity that began in the middle of 2009 continued in the first quarter of 2010, with the situation picking up further in the syndication market in particular. Under a conservative risk strategy, new business is still only being accepted on a selective basis in line with set guidelines and after paying close attention to market developments.

2.3 Financial Institutions and Non-Bank Financial Institutions portfolio

Most of the following positions are held in Corporates & Markets and Asset Based Finance (Public Finance), other exposures relate to Mittelstandsbank, the PRU and Treasury, with only a small proportion in Central and Eastern Europe.

	Financial Institutions			Non-Bank Financial Institutions		
FI/NBFI-Portfolio by regions as at 31.3.2010	**Exposure at Default** in € bn	**Expected Loss** in € m	**Risk Density** in bp	**Exposure at Default** in € bn	**Expected Loss** in € m	**Risk Density** in bp
Germany	40	4	1	8	12	17
Western Europe	42	10	2	24	45	19
Central and Eastern Europe	7	58	83	1	2	26
North America	8	2	3	7	52	75
Other	14	28	20	8	39	48
Total	**112**	**103**	**9**	**47**	**150**	**32**

The Financial Institutions sub-portfolio continued its strategy of actively reducing the volume of concentration risks in the frist quarter of 2010. The specific focus lay on those institutions deemed to be critical from a country risk perspective, taking account of any group affiliations. However, there was also active support for the risk-oriented expansion of new trading and lending business with customers with good credit ratings and appropriate diversification.

Based on a consolidated exposure of €113bn on December 31, 2009, there was only a slight reduction (1.8% of overall volume) in the first quarter, but efforts remain directed at achieving a substantial decrease, especially in the ABF segment.

The same applied to Non-Bank Financial Institutions where there was a reduction of some €5bn (10% of overall volume) compared to year-end 2009.

Due to the comprehensive de-risking carried out in 2009 and the continued improvement in the market environment, there were no significant negative developments in the NBFI sub-portfolio in the first quarter of 2010. The entire NBFI EaD of €47bn comprises €45bn of original NBFI business and €2bn of ABS and LBO transactions involving NBFIs (including PRU assets).

Activities continue to concentrate on Western European insurance companies and regulated funds – sectors where there is still a positive market view. The main focus of the risk limitation measures here continues to be on reducing the bulk risk.

2.4 Country classification

The regional breakdown of the exposure corresponds to the Bank's strategic direction and reflects the main areas of its global business activities. Around half of the Bank's exposure relates to Germany, another third to other countries in Europe and 8% to North America. The rest is split between a large number of countries where we serve German exporters in particular or where Commerzbank has a local presence.

Portfolio by regions as at 31.3.2010	Exposure at Default in € bn	Expected Loss in € m	Risk Density in bp
Germany	299	870	29
Western Europe	163	417	26
Central and Eastern Europe	42	328	78
North America	51	201	39
Other	62	391	63
Total	**617**	**2 207**	**36**

2.5 Rating classification

The Bank's overall portfolio is split proportionately into the following internal rating classifications based on PD ratings:

Rating breakdown as at 31.3.2010 | in %	1.0–1.8	2.0–2.8	3.0–3.8	4.0–4.8	5.0–5.8
Private Customers	22	44	23	8	3
Mittelstandsbank	16	50	24	7	3
Central & Eastern Europe	28	32	25	13	2
Corporates & Markets	41	40	13	4	2
Asset Based Finance	48	33	13	4	2
Group[1]	**40**	**37**	**16**	**5**	**2**

[1] Incl. PRU and Others and Consolidation.

2.6 Sector classification Corporates

The following table shows the breakdown of the Corporates exposure by sector, irrespective of business segment.

Sub-portfolio Corporates by sectors as at 31.3.2010	Exposure at Default in € bn	Expected Loss in € m	Risk Density in bp
Basic Materials/Energy/Metals	29	131	46
Consumption	24	137	58
Chemicals/Plastics	13	98	74
Transport/Tourism	12	65	54
Mechanical engineering	12	125	106
Technology/Electrical industry	12	52	45
Services	11	64	55
Automotive	10	79	79
Construction	5	25	53
Other	15	56	38
Total	**142**	**833**	**59**

Market and liquidity risks

1. Market risk

Market risk expresses the risk of potential financial loss of value due to changes in market prices (interest rates, commodities, spreads, exchange rates and equity prices) or in parameters that affect prices such as volatility and correlations. Loss of value may be taken to income directly, e.g. trading book items, or be shown in the revaluation reserve or in hidden liabilities/reserves on banking book items. Market liquidity risk is also followed; this covers cases where it is not possible for the Bank to liquidate or hedge risky positions in a timely manner and to the desired extent as a result of insufficient liquidity in the market.

Commerzbank uses a wide range of qualitative and quantitative tools to manage and monitor market price risks. Guidelines for maturity limits and minimum ratings are designed to protect the quality of market risk positions. Quantitative specifications such as sensitivities, VaR measures, stress tests and scenario analyses as well as key economic capital ratios limit market risk. The qualitative and quantitative factors limiting market risk are fixed by the Group Market Risk Committee. The extent to which the limits are used and the relevant P&L figures are reported daily to the Board of Managing Directors and the responsible heads of divisions.

In addition to monitoring market risk on a daily basis, the market risk function paid particular attention in the first quarter of 2010 to integration activities relating to the standardization of the IT system landscapes and their expansion in order to comply with the new regulatory requirements. The risk function also closely supported the continued planned reduction in PRU positions.

1.1 Market risk in the trading book

During the first quarter of 2010, the VaR in the trading book fell significantly, due in particular to lower credit spread risk. This was mainly as a result of reduced market volatility as the market environment continued to normalize. Workout measures of risk positions in Treasury and the PRU also contributed to the lower VaR.

The market risk profile in the trading book is well diversified across all asset classes, with a continued predominance of credit spread risks.

VaR contribution by risk type in the trading book | in € m	**31.3.2010**	**31.12.2009**
Credit Spread	22.6	32.6
Interest Rate	10.4	13.9
Equity	9.0	9.0
FX	2.9	3.5
Commodities	1.6	1.5
Total	**46.5**	**60.5**

VaR 99% confidence level, 1-day holding period

Due to the financial market crisis, it is not yet possible to use mark-to-market valuation approaches for all risk positions and mark-to-model approaches have therefore been used, mainly for ABS positions.

1.2 Market risk in the banking book

The main drivers of market risk in the banking book are credit spread risks in the Public Finance portfolio including the positions held by subsidiaries Eurohypo and EEPK, the Treasury portfolios and equity price risks in the equity investments portfolio. The decision to reduce the Public Finance portfolio continues to be implemented as part of the de-risking strategy.

Credit spread sensitivities
Downshift 1 bp | in € m

* Pro forma

The diagram above documents the development of credit spread sensitivities for all securities and derivative positions (excluding loans) in the Commerzbank Group's banking book. The overall position was relatively unchanged in the first quarter at €92m. Of this amount, around €69m was accounted for at the end of March 2010 by securities positions which are classified by financial accounting as LaR. Changes in credit spreads have no impact on the revaluation reserve and the P&L for these portfolios.

2. Liquidity risk

Commerzbank's internally-developed liquidity risk model is the basis for liquidity management and reporting to the Board of Managing Directors. This risk measurement approach calculates the available net liquidity (ANL) for the next 12 months on the basis of contractual and economic cash flows and liquid assets. The concept is supplemented by the stable funding concept, which is used to manage liquidity risks in the long-term area.

One important component of the internal liquidity risk model is stress testing, which indicates the impact of unforeseen events on the liquidity situation due to institution-specific and market-related events and as a result provides the basis for sustainable contingency planning. To cover the liquidity requirement in a stress scenario, securities eligible for central bank borrowing purposes are available and are included in the calculation of available net liquidity. The volume of freely available assets eligible for central bank borrowing was €85.6bn at March 31, 2010.

Commerzbank's liquidity and solvency were adequate at all times during the period under review – including under the assumptions of the stress scenarios. The regulatory provisions of the Liquidity Regulation were complied with at all times.

Commerzbank actively supports various regulatory initiatives to harmonize international standards for the supervision of liquidity risk.

Intensive care/charges against earnings

The downward trend in risk provisions continued in the first quarter of 2010 with an amount of €0.7bn. As the following table shows, loan loss provisions were €0.6bn, impairments in the AfS/Defaults trading book and CDA charges declined to €0.1bn amid market conditions that were to a large extent stabilized.

Charges against earnings | in € bn	**Q1 2010**	**2009**
LaR credit risk provision	0.6	4.2
Impairments AfS / defaults trading book[1]	0.1	1.2
CDA charges	0.0	–0.1
Total	**0.7**	**5.3**

[1] From ABS portfolios (2009 incl. CDA-for ABSs).

Loan loss provisions were €200m below the year-earlier figure and break down by segment as follows:

Loan loss provisions in € m	**Q1 2010**	**2009 total**	**Q4 2009**	**Q3 2009**	**Q2 2009**	**Q1 2009**
Private Customers	66	246	72	70	55	49
Mittelstandsbank	161	954	298	330	236	90
Central & Eastern Europe	94	812	296	142	201	173
Corporates & Markets	–19	289	25	44	–34	254
Asset Based Finance	325	1,588	651	372	358	207
Portfolio Restructuring Unit	22	327	–11	99	169	70
Others and Consolidation	–5	–2	–7	–4	8	1
Total	**644**	**4,214**	**1,324**	**1,053**	**993**	**844**

As expected, risk provisions for the Private Customers segment were at the same level as in the preceding quarter. In the Mittelstandsbank loan loss provisions were exceeding those of the first quarter 2009 but are markedly smaller than in all other quarters of 2009. As we stand today, developments still do not indicate a stable trend for the segment and there are ongoing uncertainties in the economic environment.

In Central and Eastern Europe the first quarter showed a noticeable easing and consequently a substantial reduction in risk provisions. Whereas in the first quarter of 2009 Corporates & Markets was still seriously impacted by the financial crisis, it was possible to reverse risk provisions in the current year. The portfolio structure, which is characterized by large individual corporate borrowers, makes for a comparatively volatile risk result in this segment.

In Asset Based Finance, risk provisions exceeded the year-earlier first quarter level. This was attributable to a one-off effect in the reporting period from a top level adjustment which made additional provision for the still-critical US portfolio. We still do not expect any significant charges for loan losses in Public Finance and do not anticipate any defaults by OECD countries.

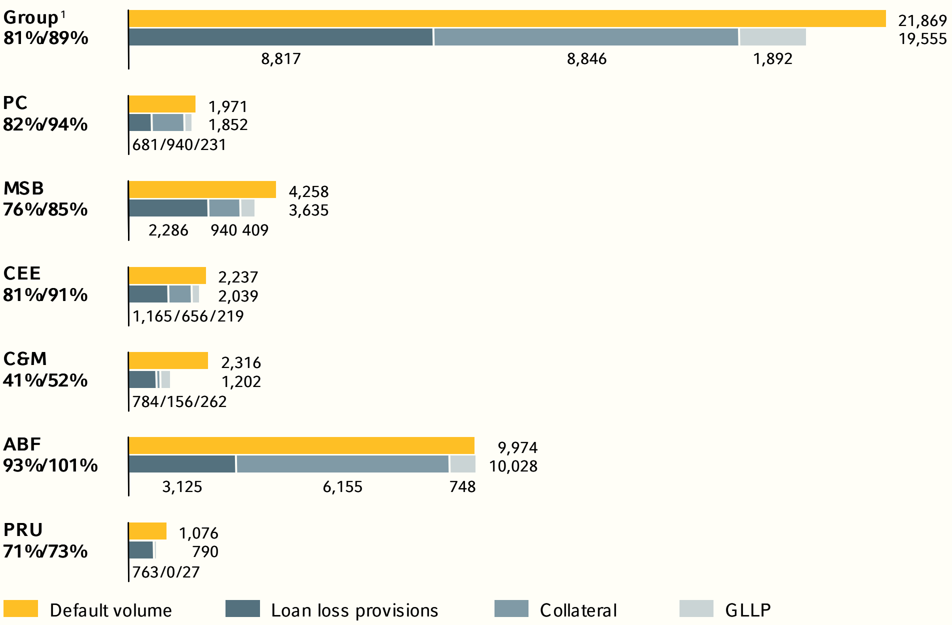
As the following table shows, there were only seven cases in the first quarter of 2010 which led to changes in specific loan loss provisions of ≥ €10m being recognized in profit or loss.

	Other cases <€10m	≥€10m <€20m		≥€20m <€50m		≥€50m		Individual cases ≥€10m total		
Year	Net RP total in € m	Net RP total in € m	Number of commit-ments	Net RP total in € m	Number of commit-ments	Net RP total in € m	Number of commit-ments	Net RP total in € m	Number of commit-ments	Net RP total in € m
2009	**2,107**	652	48	495	22	960	10	**2,107**	**80**	**4,214**
Q1 2010	**545**	61	4	38	3	–	–	**99**	**7**	**644**

The share of large individual risks in total risk provisions, which was over 50% in the previous year, declined substantially to around 15% in the first quarter.

The Group's default portfolio amounts to €21.9bn. Its structure can be seen in detail in the following graph:

Default portfolio and coverage ratios by segment
in € m – excl./incl. GLLP



[1] incl. Others and Consolidation

Compared with the beginning of 2009 the disproportionately high inflow to the default portfolio has clearly subsided and the trend appears to be bottoming out. Over the rest of the year a reduction of volume is assumed.

Operational risk

Operational risk in Commerzbank is based on the Solvency Regulation and is defined as the risk of loss resulting from the inadequacy or failure of internal processes, systems and people or from external events. This definition includes litigation risks; it does not cover reputational or strategic risks.

Due to operational risk losses incurred and the change in provisions for operational risks affecting capital and ongoing legal disputes, the total charge resulting from operational risk for the new Commerzbank amounted to €37.3m in the first quarter of 2010. The events were mainly the result of liability for advice given and of procedural errors.

Expected loss by segment | in € m	**31.3.2010**	**31.12.2009**
Private Customers	56	50
Mittelstandsbank	20	19
Central & Eastern Europe	7	9
Corporates & Markets	61	58
Asset Based Finance	4	3
Portfolio Restructuring Unit	7	6
Others and Consolidation	5	5
Total	**160**	**150**

Until the newly developed and integrated model has been certified by the regulatory authorities, the capital requirement for both regulatory and internal reporting purposes will still be calculated separately for Commerzbank and Dresdner Bank and reported as a total.

Other risks

In terms of all other quantifiable and non-quantifiable risks, there were no significant changes in the first quarter of 2010 as against the position reported in detail in the 2009 annual report.

Commerzbank uses state-of-the-art risk measurement methods and models that are based on banking sector practice. The results obtained with the risk models are suitable for the purposes of the management of the Bank. The measurement approaches are regularly reviewed by Risk Control and Internal Audit and the external auditors. Despite the careful development of the models and regular controls, models cannot capture all the influencing factors that may arise in reality, nor the complex behaviour and interactions of these factors. These limits to risk modelling apply particularly in extreme situations. Supplementary stress tests and scenario analyses can only show examples of the risks to which a portfolio may be exposed in extreme market situations. An analysis of all conceivable scenarios is not possible with stress tests and these cannot give a definitive indication of the maximum loss in the case of an extreme event.

Interim Financial Statements

Statement of comprehensive income

Income statement

€ m	Notes	1.1.–31.3.2010	1.1.–31.3.2009*	Change in %
Net interest income	(1)	1,888	1,692	11.6
Provisions for loan losses	(2)	–644	–844	–23.7
Net interest income after provisions		1,244	848	46.7
Net commission income	(3)	983	850	15.6
Net trading income	(4)	850	–527	.
Net investment income	(5)	–119	386	.
Other income	(6)	22	–71	.
Operating expenses	(7)	2,209	2,081	6.2
Impairments of goodwill and brand names		–	–	.
Restructuring expenses		–	289	.
Pre-tax profit/loss		**771**	**–884**	**.**
Taxes on income	(8)	55	7	.
Consolidated profit/loss		**716**	**–891**	**.**
Consolidated profit/loss attributable to minority interests		8	–27	.
Consolidated profit/loss attributable to Commerzbank shareholders		708	–864	.

* After counterparty default adjustments.

Earnings per share | €	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Earnings per share	0.60	–1.02	.

Earnings per share, calculated in accordance with IAS 33, are based on the consolidated profit/loss attributable to Commerzbank shareholders.

Condensed statement of comprehensive income

€ m	1.1.–31.3.2010	1.1.–31.3.2009*	Change in %
Consolidated profit/loss	716	−891	.
Changes in revaluation reserve			
Reclassification adjustment due to realizations	112	43	.
Unrealized gains/losses	151	−700	.
Changes in cash flow hedge reserve			
Reclassification adjustment due to realizations/amortizations	50	–	.
Unrealized gains/losses	–	−296	−100.0
Changes in currency translation reserve			
Reclassification adjustment due to realizations	1	–	.
Unrealized gains/losses	171	−179	.
Changes in companies accounted for using the equity method	1	39	−97.4
Other comprehensive income	486	−1,093	.
Total comprehensive income	**1,202**	**−1,984**	**.**
Comprehensive income attributable to minority interests	81	−42	.
Comprehensive income attributable to Commerzbank shareholders	1,121	−1,942	.

Other comprehensive income | € m	1.1.–31.3.2010			1.1.–31.3.2009		
	Before tax	Taxes	After tax	Before tax	Taxes	After tax
Changes in revaluation reserve	301	−38	263	−712	55	−657
Changes in cash flow hedge reserve	73	−23	50	−424	128	−296
Changes in currency translation reserve	172	–	172	−179	–	−179
Changes in companies accounted for using the equity method	1	–	1	39	–	39
Other comprehensive income	**547**	**−61**	**486**	**−1,276**	**183**	**−1,093**

* After counterparty default adjustments.

Income statement (by quarter)

€ m	2010	2009*			
	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
Net interest income	1,888	1,890	1,769	1,838	1,692
Provisions for loan losses	–644	–1,324	–1,053	–993	–844
Net interest income after provisions	1,244	566	716	845	848
Net commission income	983	972	953	947	850
Net trading income	850	–561	659	71	–527
Net investment income	–119	–87	–54	172	386
Other income	22	–68	112	5	–71
Operating expenses	2,209	2,396	2,264	2,263	2,081
Impairments of goodwill and brand names	–	52	646	70	–
Restructuring expenses	–	212	904	216	289
Pre-tax profit/loss	**771**	**–1,838**	**–1,428**	**–509**	**–884**
Taxes on income	55	73	–375	269	7
Consolidated profit/loss	**716**	**–1,911**	**–1,053**	**–778**	**–891**
Consolidated profit/loss attributable to minority interests	8	–54	2	–17	–27
Consolidated profit/loss attributable to Commerzbank shareholders	708	–1,857	–1,055	–761	–864

* After counterparty default adjustments.

Balance sheet

Assets | € m	Notes	**31.3.2010**	**31.12.2009**	Change in %
Cash reserve		9,486	10,329	−8.2
Claims on banks	(10,12,13)	108,782	106,689	2.0
Claims on customers	(11,12,13)	342,391	352,194	−2.8
Value adjustment portfolio fair value hedges		204	−16	.
Positive fair values attributable to derivative hedging instruments		4,203	6,352	−33.8
Trading assets	(14)	230,304	218,708	5.3
Financial assets	(15)	129,005	131,292	−1.7
Intangible assets	(16)	3,226	3,209	0.5
Fixed assets	(17)	1,749	1,779	−1.7
Tax assets		5,099	5,637	−9.5
Other assets	(18)	11,660	7,930	47.0
Total		**846,109**	**844,103**	**0.2**

Liabilities | € m	**Notes**	**31.3.2010**	**31.12.2009**	Change in %
Liabilities to banks	(19)	137,669	140,634	−2.1
Liabilities to customers	(20)	260,411	264,618	−1.6
Securitized liabilities	(21)	168,984	171,370	−1.4
Value adjustment portfolio fair value hedges		292	−16	.
Negative fair values attributable to derivative hedging instruments		8,319	11,345	−26.7
Liabilities from trading activities	(22)	201,458	193,004	4.4
Provisions	(23)	5,045	5,115	−1.4
Income tax liabilities		2,385	2,586	−7.8
Other liabilities	(24)	13,793	8,942	54.2
Subordinated capital	(25)	15,908	15,850	0.4
Hybrid capital	(26)	4,057	4,079	−0.5
Capital and reserves		27,788	26,576	4.6
Subscribed capital		3,069	3,071	−0.1
Capital reserve		1,338	1,334	0.3
Retained earnings		7,952	7,878	0.9
Silent participations		17,178	17,178	0.0
Revaluation reserve		−1,513	−1,755	−13.8
Cash flow hedge reserve		−1,185	−1,223	−3.1
Currency translation reserve		−344	−477	−27.9
Profit/loss 2009 [1]		–	–	.
Profit loss for the period 1.1.–31.3.2010 [2]		708	–	.
Total before minority interests		27,203	26,006	4.6
Minority interests		585	570	2.6
Total		**846,109**	**844,103**	**0.2**

[1] After appropriation of profit. [2] Attributable to Commerzbank shareholders.

Statement of changes in equity (condensed version)

€ m	Sub-scribed capital	Capital reserve	Retained earnings	Silent partici-pations	Revalu-ation reserve	Cash flow hedge reserve	Currency translation reserve	Consoli-dated profit/loss	Total before minority interests	Minority interests	Equity
Equity as of 31.12.2008	**1,877**	**6,619**	**5,904**	**8,200**	**–2,221**	**–872**	**–260**	**–**	**19,247**	**657**	**19,904**
Change due to counterparty default adjustments			–62						–62		–62
Equity as of 1.1.2009	**1,877**	**6,619**	**5,842**	**8,200**	**–2,221**	**–872**	**–260**	**–**	**19,185**	**657**	**19,842**
Total comprehensive income					466	–351	–217	–4,537	–4,639	75	–4,564
Consolidated profit/loss								–4,537	–4,537	–96	–4,633
Other comprehensive income					466	–351	–217		–102	171	69
Transfer from capital reserve/transfer to retained earnings		–6,619	2,082					4,537	–		–
Capital increases	1,193	1,320							2,513		2,513
Profit/loss previous year									–	–59	–59
Transfer to retained earnings (minority interests)									–	69	69
Changes in ownership interests			–50						–50		–50
Other changes [1]	1	14	4	8,978					8,997	–172	8,825
Equity as of 31.12.2009	**3,071**	**1,334**	**7,878**	**17,178**	**–1,755**	**–1,223**	**–477**	**–**	**26,006**	**570**	**26,576**
Total comprehensive income					242	38	133	708	1,121	81	1,202
Consolidated profit/loss								708	708	8	716
Other comprehensive income					242	38	133		413	73	486
Transfer from capital reserve/transfer to retained earnings									–		–
Capital increases									–		–
Profit/loss previous year									–	109	109
Transfer to retained earnings (minority interests)									–	9	9
Changes in ownership interests									–		–
Other changes [1]	–2	4	74						76	–184	–108
Equity as of 31.3.2010	**3,069**	**1,338**	**7,952**	**17,178**	**–1,513**	**–1,185**	**–344**	**708**	**27,203**	**585**	**27,788**

[1] Including change in treasury shares, change in derivatives on own equity instruments, changes in the group of consolidated companies and payment silent participations.

As at March 31, 2010, revaluation reserves of €108m, cash flow hedge reserves of €–44m and currency translation reserves of €28m were attributable to assets and disposal groups held for sale.

As at March 31, 2010, the subscribed capital of Commerzbank Aktiengesellschaft pursuant to the Bank's articles of association stood at €3,071m, divided into 1,181,352,926 no-par-value shares (accounting value per share: €2.60). The average number of ordinary shares issued was 1,180,702,819 (31.3.2009: 844,492,869).

NB: Statement of changes in equity from January 1 to March 31, 2009

€ m	Subscribed capital	Capital reserve	Retained earnings	Silent participations	Revaluation reserve	Cash flow hedge reserve	Currency translation reserve	Consolidated profit/loss	Total before minority interests	Minority interests	Equity
Equity as of 31.12.2008	**1,877**	**6,619**	**5,904**	**8,200**	**–2,221**	**–872**	**–260**	**–**	**19,247**	**657**	**19,904**
Change due to counterparty default adjustments			–62						–62		–62
Equity as of 1.1.2009	**1,877**	**6,619**	**5,842**	**8,200**	**–2,221**	**–872**	**–260**	**–**	**19,185**	**657**	**19,842**
Total comprehensive income					–631	–291	–156	–864	–1,942	–42	–1,984
Consolidated profit/loss								–864	–864	–27	–891
Other comprehensive income					–631	–291	–156		–1,078	–15	–1,093
Capital increases	425	320							745		745
Profit/loss previous year									–	–34	–34
Transfer to retained earnings (minority interests)									–	58	58
Changes in ownership interests			–2						–2		–2
Other changes [1]	1	8	11						20	–26	–6
Equity as of 31.3.2009	**2,303**	**6,947**	**5,851**	**8,200**	**–2,852**	**–1,163**	**–416**	**–864**	**18,006**	**613**	**18,619**

[1] Including change in treasury shares, change in derivatives on own equity instruments, changes in the group of consolidated companies and payment silent participations.

Cash flow statement (condensed version)

€ m	2010	2009
Cash and cash equivalents as of 1.1.	**10,329**	**6,566**
Cash flow from operating activities	–3,019	10,842
Cash flow from investing activities	2,003	–15,205
Cash flow from financing activities	38	8,117
Total cash flow	**–978**	**3,754**
Currency effects	143	–48
Effects of minority interests	–8	27
Cash and cash equivalents as of 31.3.	**9,486**	**10,299**

The cash flow statement shows the changes in cash and cash equivalents for the Commerzbank Group. These correspond to the cash reserve item and consist of cash on hand, balances with central banks, as well as debt issued by public sector borrowers and bills of exchange rediscountable at central banks.

The cash flow statement cannot be considered very informative for the Commerzbank Group. For us the cash flow statement replaces neither liquidity planning nor financial planning, nor is it employed as a management tool.

Selected notes

General information

Accounting policies

Our interim financial statements as of March 31, 2010, were prepared in accordance with Art. 315a (1) of the German Commercial Code (HGB) and Regulation (EC) No. 1606/2002 (IAS Regulation) of the European Parliament and the Council of July 19, 2002, together with other regulations for adopting certain international accounting standards on the basis of the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), approved and published by the International Accounting Standards Board (IASB). This report takes particular account of the requirements of IAS 34 relating to interim financial reporting.

In preparing this interim report, we have employed the same accounting policies as in our consolidated financial statements as of December 31, 2009 (see page 200 ff. of our 2009 annual report) unless otherwise required by changes in the law. This interim report takes into account the standards and interpretations that must be applied from January 1, 2010 in the EU.

Changes to accounting policies

Since September 30, 2009, the recognition and measurement of derivatives in the Group has also taken account of counterparty default risks for Commerzbank Aktiengesellschaft by means of counterparty default adjustments (CDAs). We have restated the figures for prior quarters of 2009 in accordance with IAS 8.41. The consolidated surplus in the first quarter of 2009 declined by €3m and in the second quarter of 2009 by €15m. The prior-year figures for the relevant items of the income statement, the development during the quarter and in the Notes were restated accordingly.

Consolidated companies

The following subsidiaries and funds were consolidated for the first time in the first quarter of 2010.

Name of company	Ownership interest and voting rights	Acquisition cost	Assets	Liabilities
	%	€ m	€ m	€ m
ComStage ETF Nikkei 225®, Luxembourg	26.5	125.8	125.9	0.1
ComStage ETF MSCI USA TRN, Luxembourg	65.4	154.2	155.5	1.3
COMSTAGE ETF-IBOXX EUR. L.SOV.DIV. 5-7 T, Luxembourg	75.0	101.4	103.5	2.1
EHNY Montelucia IV, LLC, Dover/Delaware	100.0	4.1	19.6	15.5

In addition, Immobiliaria Colonial, Barcelona, has been included for the first time in the group of material associated companies. The first-time consolidations do not give rise to any goodwill as they are not companies that have been acquired but are newly established businesses, companies that have exceeded our materiality threshold for consolidation or entities that have been acquired due to contractual obligations.

The following funds and subsidiaries have been sold or liquidated and are therefore no longer consolidated.

- Sale
  - Dresdner VPV N.V., Gouda
  - Dresdner Van Moer Courtens S.A., Brussels
  - Privatinvest Bank AG, Salzburg
  - Dresdner Kleinwort Derivative Investments Limited, London
  - Dreiundzwanzigste DRESIB Beteiligungs-Gesellschaft mbH, Frankfurt am Main

- Liquidation (including companies which have discontinued operations)
  - AGI Global Selection Balance, Luxembourg
  - Dresdner Bank (DIFC) Limited, Dubai
  - Dresdner Finanziaria S.p.A., Milan
  - Dresdner Kleinwort Securities LLC, Wilmington/Delaware
  - Kaiserplatz Purchaser No. 08 Ltd., St. Helier/Jersey
  - Symphony No.3 Llc, Dover/Delaware
  - The Riverbank Trust, London

The net result from the deconsolidation of the companies sold amounts to €–6m.

The following subsidiaries are reported as held for sale in accordance with IFRS 5 as there are plans to sell them and their sale is highly probable within one year.

- Allianz Dresdner Bauspar AG , Bad Vilbel
- Dresdner Bank Brasil S.A. Banco Múltiplo, São Paulo
- Dresdner Bank Monaco S.A.M., Monaco
- Kleinwort Benson Channel Islands Holdings Limited, St. Peter Port
- Kleinwort Benson Private Bank Limited Group, London

Until the final transfer of the shares involving transfer of control of the company is completed we measure disposal groups in accordance with IFRS 5 and report their assets and liabilities separately in the notes on Other assets and Other liabilities and in the statement of changes in equity.

Notes to the income statement

(1) Net interest income

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Interest income from lending and money-market transactions and from the available-for-sale financial assets portfolio	682	1,048	−34.9
Interest income from lending and money market transactions and from the loans and receivables portfolio	3,740	4,578	−18.3
Interest income from lending and money market transactions and from securities (from applying the fair value option)	45	74	−39.2
Prepayment penalty fees	23	10	.
Gains from the sale of loans and receivables	5	2	.
Dividends from securities	8	2	.
Current income from investments, investments in associated companies and subsidiaries	6	19	−68.4
Current income from assets and liabilities held for sale as well as from investment properties	22	23	−4.3
Other interest income	82	–	.
Interest income	*4,613*	*5,756*	*−19.9*
Interest paid on subordinated and hybrid capital and also on securitized and other liabilities	2,592	3,767	−31.2
Interest expense from applying the fair value option	41	141	−70.9
Losses on the sale of loans and receivables and liabilities	9	3	.
Losses on the sale of loans and receivables and liabilities (from applying the fair value option)	1	5	−80.0
Current expense from assets and liabilities held for sale as well as from investment properties	10	10	0.0
Other interest expense	72	138	−47.8
Interest expense	*2,725*	*4,064*	*−32.9*
Total	**1,888**	**1,692**	**11.6**

The unwinding effect for the first three months of 2010 is €59m.

(2) Provisions for loan losses

The breakdown of provisions for loan losses in the consolidated income statement is as follows:

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Allocation to provisions	–1,130	–1,339	–15.6
Reversals of provisions	489	536	–8.8
Balance of direct write-downs, write-ups and amounts recovered on written-down claims	–3	–41	–92.7
Total	**–644**	**–844**	**–23.7**

(3) Net commission income

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Securities transactions	348	289	20.4
Portfolio management	62	59	5.1
Payment transactions and foreign commercial business	231	202	14.4
Real estate lending business	55	45	22.2
Guarantees	66	61	8.2
Income from syndicated business	82	68	20.6
Fiduciary transactions	1	1	0.0
Other	138	125	10.4
Total [1]	**983**	**850**	**15.6**

[1] Of which commission expenses €186m (previous year: €192m)

(4) Trading profit

Trading profit has been split into four components

- Net gain/loss on trading in securities, promissory note loans, precious metals and derivative instruments.
- Net gain/loss on the valuation of derivative financial instruments that do not qualify for hedge accounting.
- Net gain/loss on hedge accounting.
- Net gain/loss from applying the fair value option (including changes in the fair value of the related derivatives).

All financial instruments held for trading purposes are measured at their fair value. We use market prices to measure listed products, while internal price models (primarily net-present-value and option-price models) are used to determine the current value of unlisted trading transactions. Apart from the realized and unrealized gains and losses, trading profit also includes the interest and dividend income related to trading transactions and their funding costs.

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Net trading profit/loss	683	– 1,594	.
Net gain/loss on the valuation of derivative financial instruments	62	756	– 91.8
Net gain/loss on hedge accounting	– 29	40	.
Net gain/loss from applying the fair value option	134	271	– 50.6
Total	**850**	**– 527**	**.**

(5) Net investment income

Net investment income contains gains and losses on disposal and valuation (impairments) of securities in the loans and receivables and available-for-sale categories, equity interests, investments in associated companies and subsidiaries that have not been consolidated.

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Net gain/loss from interest-bearing business	**– 137**	**– 190**	**– 27.9**
in the available-for-sale category	– 133	– 171	– 22.2
Gains on disposals (reclassification from revaluation reserve) [1]	50	96	– 47.9
Losses on disposals (reclassification from revaluation reserve) [1]	– 92	– 145	– 36.6
Net valuation gain/loss	– 91	– 122	– 25.4
in the loans and receivables category	– 4	– 19	– 78.9
Gains on disposals	3	2	50.0
Losses on disposals	– 4	–	.
Net valuation gain/loss [2]	– 3	– 21	– 85.7
Net gain/loss from equity instruments	**18**	**576**	**– 96.9**
in the available-for-sale category	21	322	– 93.5
Gains on disposals (reclassification from revaluation reserve) [1]	23	420	– 94.5
Losses on disposals (reclassification from revaluation reserve) [1]	– 2	– 98	– 98.0
in the available-for-sale category, valued at acquisition cost	– 2	448	.
Net valuation gain/loss	– 1	– 194	– 99.5
Net gain/loss on disposals and valuation of investments in associated companies	–	–	.
Total	**– 119**	**386**	**.**

[1] This includes a net €17m of reclassifications from the revaluation reserve created in the financial year 2010.
[2] This includes portfolio valuation allowances of €4m (previous year: €20m).

(6) Other income

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Other material items of income	**44**	**60**	**–26.7**
Operating lease income	36	39	–7.7
Reversals of provisions	8	21	–61.9
Other material items of expense	**64**	**54**	**18.5**
Operating lease expense	38	39	–2.6
Allocations to provisions	26	15	73.3
Balance of sundry other expenses/income	**42**	**–77**	**.**
Total	**22**	**–71**	**.**

(7) Operating expenses

€ m	1.1.–31.3.2010	1.1.–31.3.2009	Change in %
Personnel expenses	1,107	1,156	–4.2
Other operating expenses	960	810	18.5
Current depreciation on fixed assets and other intangible assets	142	115	23.5
Total	**2,209**	**2,081**	**6.2**

Operating expenses for the first three months of 2010 include integration costs in the amount of €120m (previous year: €24m).

(8) Taxes on income

As at March 31, 2010 Group tax expense was €55m and the Group tax rate was 7.1%. The tax rate is substantially influenced by the application of tax loss carryforwards for which no deferred taxes have been recognized to date.

(9) Segment reporting

Segment reporting reflects the results of the operating business segments within the Commerzbank Group. The following segment information is based on IFRS 8 "Operating Segments", which follows what is described as the management approach. In accordance with this standard, segment information must be prepared on the basis of the internal reporting information that is evaluated by the "chief operating decision maker" to assess the performance of the operating segments and make decisions regarding the allocation of resources to the operating segments. Within the Commerzbank Group, the function of "chief operating decision maker" is exercised by the Board of Managing Directors.

Our segment reporting covers six operating segments and the Others and Consolidation segment. This reflects the Commerzbank Group's organizational structure and forms the basis for internal management reporting. The business segments are divided up on the basis of distinctions between products, services and/or customer target groups. As part of the further refinement of the segments' business models slight adjustments were made to the business responsibilities. Differences in the reporting of certain items still existing after the takeover of Dresdner Bank were further harmonized. These related mainly to uniform reporting of the funding of equity participations and income from the investment of equity capital for consolidated subsidiaries. Prior-year figures have been restated in line with the new Group structure.

- The Private Customers segment contains the four business areas Private and Business Customers, Wealth Management, Direct Banking and Credit. The classic branch banking business is contained in the Private and Business

Customers business area. Wealth Management provides services to wealthy clients in Germany and abroad and contains the Group's portfolio management activities. Direct Banking encompasses the activities of the comdirect bank group and all call centre services for our customers. Credit is the central business area responsible for lending operations with the above-mentioned customer groups.

- The Mittelstandsbank segment includes the Corporate Banking and Financial Institutions business areas. Corporate Banking serves small and mid-sized businesses, large customers and international customers. In addition, this business area also houses the competence centre for customers from the Renewable Energies sector and services public sector and institutional customers. Our comprehensive service offering includes payments, flexible financing solutions, interest rate and currency management products, professional investment advisory services and innovative investment banking solutions. With our foreign branch offices we act as a strategic partner for both the international activities of our German corporate customers and for international companies with business activities in our home market of Germany. The Financial Institutions business area is responsible for our relationships with German and foreign banks, financial institutions and central banks. It offers these customers comprehensive advice and support, with a strategic focus on handling foreign trade. Financial Institutions also uses a network of over 6,000 correspondent banks and business relationships with emerging markets to promote the Group's foreign trade activities throughout the world. It also assists other business areas in their international strategies.
- Central and Eastern Europe contains the operations of our subsidiaries and branches in the Central and Eastern Europe regions (particularly BRE Bank and Bank Forum). These are grouped together under a management holding company, which acts as the operational management unit and interface between the local units and the central departments in Germany and as the strategic decision-maker. The focus of business activities is on private and corporate customers and customer-related investment banking. Our units are the contact points for local companies in Central and Eastern Europe, as well as for cross-border business.
- Corporates & Markets consists of three major businesses. Equity Markets & Commodities trades in equities, equity derivatives and commodities products and contains the related sales resources. Fixed Income & Currencies handles trading and sales of interest rate and currency instruments together with related derivatives. Corporate Finance provides debt and equity financing and advisory services and includes the central credit portfolio management operations of the Corporates & Markets segment. In addition, Corporates & Markets houses the Group's client relationship management activities with a focus on the 100 biggest German corporates and insurers.
- The Asset Based Finance segment groups together the business areas of Commercial Real Estate (CRE) Germany, CRE International, Public Finance, Asset Management and Leasing as well as Ship Finance. CRE Germany, CRE International and Public Finance belong almost completely to the Commerzbank subsidiary Eurohypo AG. The Asset Management and Leasing area primarily includes the activities of our subsidiary Commerz Real AG. And finally the Ship Finance area groups together the ship financing of the Commerzbank Group in our subsidiary Deutsche Schiffsbank AG.
- The Portfolio Restructuring Unit (PRU) is responsible for managing down assets related to discontinued proprietary trading and investment activities which no longer fit into Commerzbank AG's client-centric strategy. The segment's goal is to reduce the portfolio in such a way as to preserve maximum value. The positions managed by this segment include asset-backed securities (ABSs) not guaranteed by the state, other structured credit products, proprietary trading positions in corporate or financial bonds and exotic credit derivatives. These positions were primarily transferred from the Corporates & Markets and former Commercial Real Estate segments to the Portfolio Restructuring Unit.
- The Others and Consolidation segment contains the income and expenses which are not attributable to the operating segments. The reporting for this segment includes equity participations which are not assigned to the operating segments as well as other international asset management activities and Group Treasury. The costs of the service units are also shown here, which – except for integration and restructuring costs – are charged in full to the segments. "Consolidation" includes those expenses and income items that represent the reconciliation of internal management reporting figures shown in the segment reports with the consolidated financial statements in accordance with IFRS. The costs of the Group management units are also shown here, which – except for integration and restructuring costs – are also charged in full to the segments.

The result generated by each segment is measured in terms of operating profit and pre-tax profit, as well as the return on equity and cost/income ratio. Operating income is defined as the sum of net interest income after loan loss provisions, net commission income, trading profit, net investment income and other income less operating expenses. In the statement of pre-tax profits, minority interests are included in both the result and the average capital employed. All the revenue for which a segment is responsible is thus reflected in pre-tax profit.

The return on equity is calculated from the ratio between operating, pre-tax profit and the average amount of capital employed. It shows the return on the capital employed in a given segment. The cost/income ratio in operating business reflects the cost efficiency of the various segments and shows the relationship of operating expenses to income before provisions.

Income and expenses are shown by originating unit and at market rates, with the market interest rate applied in the case of interest rate activities. Net interest income reflects the actual funding costs of the equity capital assigned to the respective business segments. The Group's return on capital employed is allocated to the net interest income of the various segments in proportion to the average capital employed in the segment. The interest rate corresponds to that of a risk-free investment in the long-term capital market. The average capital employed is calculated in 2010 using the Basel II system, based on the computed average risk-weighted assets and the capital charges for market risk positions (risk-weighted asset equivalents). At Group level, investors' capital is shown, which is used to calculate the return on equity. The regulatory capital requirement for risk-weighted assets assumed for segment reporting purposes is 7%.

The segment reporting of the Commerzbank Group shows the segments' pre-tax results. To reduce the economic earnings effect from specific tax-induced transactions in the Corporates & Markets segment in this reporting, the net interest income of Corporates & Markets includes a pre-tax equivalent of the after-tax income from these transactions. When segment reporting is reconciled with the figures from external accounting this pre-tax equivalent is eliminated in Others and Consolidation.

Current income from investment in associates was €2m (previous year: €3m) and relates to the segments Private Customers in an amount of €4m (previous year: €2m), Mittelstandsbank (previous year: €1m) and Asset Based Finance in an amount of €–2m (previous year: –). The carrying amounts of associated companies were €478m (previous year: €332m) and are divided over the segments as follows: Private Customers €178m (previous year: €128m), Mittelstandsbank €40m (previous year: €38m), Corporate & Markets €17m (previous year: €15m), Asset Based Finance €168m (previous year: €27m) and Others and Consolidation €75m (previous year: €124m).

The operating expenses shown in the operating result consist of personnel costs, other expenses, depreciation of fixed assets and amortization of other intangible assets. Restructuring expenses are stated beneath operating profit in pre-tax profit. Operating expenses are attributed to the individual segments on the basis of cost causation. Indirect costs arising from the performance of internal services are charged to the user and credited to the segment performing the service. The provision of intra-group services is valued at market prices or at full cost.

The following tables contain information on the segments as of March 31, 2010, and the comparative figures for the prior-year period.

1.1.–31.3.2010 € m	Private customers	Mittelstandsbank	Central & Eastern Europe	Corporates & Markets	Asset Based Finance	Portfolio Restructuring Unit	Others and consolidation	Group
Net interest income	497	516	159	211	296	23	186	1,888
Provisions for loan losses	−66	−161	−94	19	−325	−22	5	−644
Net interest income after provisions	431	355	65	230	−29	1	191	1,244
Net commission income	545	257	47	76	88	−3	−27	983
Net trading income	5	6	18	449	−4	282	94	850
Net investment income	9	−3	−1	−14	−2	−94	−14	−119
Other income	−49	44	3	9	13	–	2	22
Income before provisions	*1,007*	*820*	*226*	*731*	*391*	*208*	*241*	*3,624*
Income after provisions	*941*	*659*	*132*	*750*	*66*	*186*	*246*	*2,980*
Operating expenses	913	357	126	411	152	24	226	2,209
Operating income	**28**	**302**	**6**	**339**	**−86**	**162**	**20**	**771**
Impairments of goodwill and brand names	–	–	–	–	–	–	–	–
Restructuring expenses	–	–	–	–	–	–	–	–
Pre-tax profit/loss	**28**	**302**	**6**	**339**	**−86**	**162**	**20**	**771**
Assets	**66,794**	**82,773**	**27,311**	**311,887**	**257,697**	**22,672**	**76,975**	**846,109**
Average capital employed	**3,336**	**5,477**	**1,594**	**3,828**	**6,446**	**1,360**	**8,242**	**30,283**
Operating return on equity[1] (%)	**3.4**	**22.1**	**1.5**	**35.4**	**−5.3**	**–**	**–**	**10.2**
Cost/income ratio in operating business (%)	**90.7**	**43.5**	**55.8**	**56.2**	**38.9**	**–**	**–**	**61.0**
Pre-tax return on equity[1] (%)	**3.4**	**22.1**	**1.5**	**35.4**	**−5.3**	**–**	**–**	**10.2**
Average headcount	20,250	5,268	9,695	1,958	1,864	59	18,414	57,508

[1] Annualized

1.1.–31.3.2009[1] € m	Private cust-omers	Mittel-stands-bank	Central & Eastern Europe	Corporates & Markets	Asset Based Finance	Portfolio Restruc-turing Unit	Others and consoli-dation	Group
Net interest income	553	548	164	177	258	72	−80	1,692
Provisions for loan losses	−50	−90	−173	−254	−207	−71	1	−844
Net interest income after provisions	503	458	−9	−77	51	1	−79	848
Net commission income	510	238	31	80	63	11	−83	850
Net trading income	3	9	29	574	262	−1,259	−145	−527
Net investment income	−1	–	−5	−19	−43	−135	589	386
Other income	−3	−55	6	−15	3	–	−7	−71
Income before provisions	*1,062*	*740*	*225*	*797*	*543*	*−1,311*	*274*	*2,330*
Income after provisions	*1,012*	*650*	*52*	*543*	*336*	*−1,382*	*275*	*1,486*
Operating expenses	970	330	114	500	168	33	−34	2,081
Operating income	**42**	**320**	**−62**	**43**	**168**	**−1,415**	**309**	**−595**
Impairments of goodwill and brand names	–	–	–	–	–	–	–	–
Restructuring expenses	51	17	–	62	–	3	156	289
Pre-tax profit/loss	**−9**	**303**	**−62**	**−19**	**168**	**−1,418**	**153**	**−884**
Assets	**73,468**	**97,762**	**24,866**	**380,428**	**295,438**	**59,619**	**79,983**	**1,011,564**
Average capital employed[1]	**3,332**	**5,709**	**1,647**	**4,799**	**7,420**	**1,944**	**−1,212**	**23,639**
Operating return on equity[2] (%)	**5.0**	**22.4**	**−15.1**	**3.6**	**9.1**	**–**	**–**	**−10.1**
Cost/income ratio in operating business (%)	**91.3**	**44.6**	**50.7**	**62.7**	**30.9**	**–**	**–**	**89.3**
Pre-tax return on equity[2] (%)	**−1.1**	**21.2**	**−15.1**	**−1.6**	**9.1**	**–**	**–**	**−15.0**
Average headcount	23,040	5,643	11,271	3,259	2,088	51	20,269	65,621

[1] After counterparty default adjustments.
[2] Annualized

Details for Others and Consolidation

€ m	1.1.–31.3.2010			1.1.–31.3.2009		
	Others	Consolidation	Others and Consolidation	Others	Consolidation	Others and Consolidation
Net interest income	189	– 3	186	– 98	18	– 80
Provisions for loan losses	5	–	5	1	–	1
Net interest income after provisions	194	– 3	191	– 97	18	– 79
Net commission income	11	– 38	– 27	– 53	– 30	– 83
Net trading income	86	8	94	– 87	– 58	– 145
Net investment income	3	– 17	– 14	601	– 12	589
Other income	20	– 18	2	– 12	5	– 7
Income before provisions	*309*	*– 68*	*241*	*351*	*– 77*	*274*
Income after provisions	*314*	*– 68*	*246*	*352*	*– 77*	*275*
Operating expenses	288	– 62	226	– 31	– 3	– 34
Operating income	**26**	**– 6**	**20**	**383**	**– 74**	**309**
Impairments of goodwill and brand names	–	–	–	–	–	–
Restructuring expenses	–	–	–	66	90	156
Pre-tax profit/loss	**26**	**– 6**	**20**	**317**	**– 164**	**153**
Assets	**76,975**	**–**	**76,975**	**79,983**	**–**	**79,983**

To facilitate comparison, the results of the market segments for Others and Consolidation cover the period from January 1 to December 31, 2009. The difference versus the Group result – which only contains the period from January 13 to December 13, 2009, for Dresdner Bank – is reported under Others.

Under Consolidation we report consolidation and reconciliation items between the results of the segments and the Other category on the one hand and the consolidated financial statements on the other. This includes the following items among others:

- Measurement effects from the application of hedge accounting to interbank transactions as per IAS 39 are shown in Consolidation.
- The pre-tax equivalent from tax-induced transactions allocated to the Corporates & Markets segment in net interest income is eliminated again under Consolidation.
- Gains and losses on valuation of own bonds incurred in the segments are eliminated under Consolidation.
- Other consolidation effects from intragroup transactions are also reported here.
- Integration and restructuring costs of the Group controlling units are reported under Consolidation.

Results, by geographical market

Assignment to the respective segments on the basis of the registered office of the branch or group company produces the following breakdown:

1.1.–31.3.2010 € m	Germany	Europe excluding Germany	America	Asia	Other	Total
Net interest income	1,254	509	104	21	–	1,888
Provisions for loan losses	–302	–108	–237	3	–	–644
Net interest income after provisions	952	401	–133	24	–	1,244
Net commission income	874	98	9	2	–	983
Net trading income	383	452	25	–10	–	850
Net investment income	–166	20	27	–	–	–119
Other income	11	–11	1	21	–	22
Income before provisions	*2,356*	*1,068*	*166*	*34*	*–*	*3,624*
Income after provisions	*2,054*	*960*	*–71*	*37*	*–*	*2,980*
Operating expenses	1,754	380	55	20	–	2,209
Operating income	**300**	**580**	**–126**	**17**	**–**	**771**
Risk-weighted assets	**151,388**	**74,346**	**16,674**	**4,744**	**73**	**247,225**

In the previous year, we achieved the following results in the geographical markets:

1.1.–31.3.2009 € m	Germany	Europe excluding Germany	America	Asia	Other	Total
Net interest income	1,137	395	124	35	1	1,692
Provisions for loan losses	–88	–619	–129	–8	–	–844
Net interest income after provisions	1,049	–224	–5	27	1	848
Net commission income	715	103	22	10	–	850
Net trading income	652	–1,149	–26	–3	–1	–527
Net investment income	585	–130	–69	–	–	386
Other income	–4	–52	–14	–1	–	–71
Income before provisions	*3,085*	*–833*	*37*	*41*	*–*	*2,330*
Income after provisions	*2,997*	*–1,452*	*–92*	*33*	*–*	*1,486*
Operating expenses	1,706	295	55	24	1	2,081
Operating income	**1,291**	**–1,747**	**–147**	**9**	**–1**	**–595**
Risk-weighted assets	**160,172**	**98,987**	**22,297**	**4,021**	**165**	**285,642**

Instead of non-current assets we report the risk assets for credit risks here.

As a result of the acquisition of Dresdner Bank, a breakdown of Commerzbank Group's total income by products and services can only be made once the new organization's product and service definitions and IT platforms have been harmonized in the new Commerzbank Group.

Notes to the balance sheet

(10) Claims on banks

€ m	31.3.2010	31.12.2009	Change in %
due on demand	39,516	36,564	8.1
other claims	69,782	70,645	−1.2
with a residual term			
up to three months	38,942	37,968	2.6
over three months to one year	15,618	14,525	7.5
over one year to five years	11,264	13,059	−13.7
over five years	3,958	5,093	−22.3
Total	**109,298**	**107,209**	**1.9**
of which reverse repos and cash collaterals	59,813	58,863	1.6
of which relate to the category: Loans and receivables	108,535	106,510	1.9
Available-for-sale financial assets	–	–	.
Applying the fair value option	763	699	9.2

Claims on banks after provisions for possible loan losses amount to €108,782m (previous year: €106,689m).

(11) Claims on customers

€ m	31.3.2010	31.12.2009	Change in %
with an indefinite residual term	23,589	23,047	2.4
other claims	328,477	338,436	−2.9
with a residual term			
up to three months	62,926	68,766	−8.5
over three months to one year	35,879	34,830	3.0
over one year to five years	117,430	122,114	−3.8
over five years	112,242	112,726	−0.4
Total	**352,066**	**361,483**	**−2.6**
of which reverse repos and cash collaterals	23,530	22,362	5.2
of which relate to the category: Loans and receivables	349,561	358,347	−2.5
Available-for-sale financial assets	–	–	.
Applying the fair value option	2,505	3,136	−20.1

Claims on customers after provisions for possible loan losses were €342,391m (previous year: €352,194m).

(12) Total lending

€ m	31.3.2010	31.12.2009	Change in %
Loans to banks	26,212	25,011	4.8
Loans to customers	332,931	343,390	−3.0
Total	**359,143**	**368,401**	**−2.5**

We distinguish loans from claims on banks and customers to the extent that only claims for which special loan agreements have been concluded with the borrowers are shown as loans. Interbank money market transactions and reverse repo transactions, for example, are thus not shown as loans. Acceptance credits are also included in loans to customers.

(13) Provisions for loan losses

Provisions for loan losses are made in accordance with rules that apply Group-wide and cover all discernible credit risks. For loan losses which have already occurred but have not yet come to our attention, portfolio valuation allowances were calculated in line with procedures derived from the Basel II system.

Development of provisions | € m	**2010**	**2009**	Change in %
As of 1.1.	**10,451**	**6,045**	**72.9**
Allocations	1,130	1,339	−15.6
Deductions	890	918	−3.1
Utilizations	401	382	5.0
Reversals	489	536	−8.8
Changes in group of consolidated companies	–	2,177	.
Exchange rate movements/transfers / unwinding	77	49	57.1
As of 31.3.	**10,768**	**8,692**	**23.9**

With direct write-downs, write-ups and amounts recovered on previously written-down claims taken into account, allocations to and reversals of provisions recognized in profit or loss resulted in provision expense of €644m (31.3.2009: €844m); see Note 2.

Loan loss provisions | € m	**31.3.2010**	**31.12.2009**	Change in %
Specific valuation allowances	8,581	8,345	2.8
Portfolio valuation allowances	1,610	1,464	10.0
Provision to cover balance sheet items	**10,191**	**9,809**	**3.9**
Provisions in lending business (specific risks)	294	364	−19.2
Provisions in lending business (portfolio risks)	283	278	1.8
Provision to cover off-balance-sheet items	**577**	**642**	**−10.1**
Total	**10,768**	**10,451**	**3.0**

For claims on banks, loan loss provisions as at March 31, 2010, amounted to €516m (previous year: €520m) and for claims on customers to €9,675m (previous year: €9,289m).

(14) Assets held for trading purposes

The Group's trading activities include trading in

- Bonds, notes and other interest-related securities
- Shares and other equity-related securities
- Promissory note loans and other claims
- Foreign exchange and precious metals
- Derivative financial instruments
- Other assets held for trading

Other assets held for trading comprise positive fair values of credit commitments and issuance rights. Other claims consist of treasury bills, loans and money market transactions.

All the items in the trading portfolio are shown at their fair value.

€ m	31.3.2010	31.12.2009	Change in %
Bonds, notes and other interest-related securities	33,037	28,898	14.3
Promissory note loans	772	850	−9.2
Other claims	3,173	2,643	20.1
Shares and other equity-related securities	10,267	8,982	14.3
Positive fair values attributable to derivative financial instruments	183,046	177,307	3.2
Currency-related transactions	16,782	17,653	−4.9
Interest-rate-related transactions	154,834	146,487	5.7
Other transactions	11,430	13,167	−13.2
Other assets held for trading	9	28	−67.9
Total	**230,304**	**218,708**	**5.3**

Other fair values of derivative financial instruments consist mainly of €6,186m (previous year: €6,963m) in equity derivatives and €4,413m (previous year: €5,331m) in credit derivatives.

(15) Financial assets

Financial assets represent financial instruments not assigned to any other category. They include all bonds, notes and other interest-related securities, shares and other equity-related securities not held for trading purposes, investments, ownership interests in associated companies accounted for using the equity method and ownership interests in non-consolidated subsidiaries.

€ m	31.3.2010	31.12.2009	Change in %
Bonds, notes and other interest-rate-related securities [1]	125,944	128,032	−1.6
Shares and other equity-related securities	1,500	1,530	−2.0
Investments	899	1,194	−24.7
Investments in associated companies	478	378	26.5
Ownership interests in subsidiaries	184	158	16.5
Total	**129,005**	**131,292**	**−1.7**
of which relate to investments in associated companies accounted for using the equity method	478	378	26.5
of which relate to the category: Loans and receivables [1]	78,394	79,194	−1.0
Available-for-sale financial assets	45,465	44,998	1.0
of which: valued at amortized cost	435	492	−11.6
Applying the fair value option	4,668	6,722	−30.6

[1] Reduced by portfolio valuation allowances of €54m (previous year: €50m)

In its press release of October 13, 2008, the IASB issued an amendment for the reclassification of financial instruments. In accordance with the amendment, securities in the Public Finance portfolio for which there is no active market were reclassified from the IAS 39 Available for Sale (AfS) category to the IAS 39 Loans and Receivables (LaR) category in the financial years 2008 and 2009. The fair value at the date of reclassification was recognized as the new carrying amount of these securities holdings.

The revaluation reserve after deferred taxes for all the reclassified securities in financial years 2008 and 2009 was €–1.1bn as at March 31, 2010. If these reclassifications had not been made, there would have been a revaluation reserve after deferred taxes of €–1.8bn for these holdings as at March 31, 2010. Their carrying amount on the balance sheet date was €73.7bn and the fair value €72.8bn.

(16) Intangible assets

€ m	31.3.2010	31.12.2009	Change in %
Goodwill	2,080	2,061	0.9
Other intangible assets	1,146	1,148	−0.2
Customer relationships	602	613	−1.8
Brand names	30	51	−41.2
Software developed in-house	233	235	−0.9
Other	281	249	12.9
Total	**3,226**	**3,209**	**0.5**

(17) Fixed assets

€ m	31.3.2010	31.12.2009	Change in %
Land and buildings	993	1,018	−2.5
Office furniture and equipment	756	761	−0.7
Total	**1,749**	**1,779**	**−1.7**

(18) Other assets

€ m	31.3.2010	31.12.2009	Change in %
Collection items	109	632	−82.8
Precious metals	791	811	−2.5
Leased equipment	556	554	0.4
Assets held for sale	6,531	2,868	.
Assets held as financial investments	1,311	1,279	2.5
Other, including accrued and deferred items	2,362	1,786	32.3
Total	**11,660**	**7,930**	**47.0**

(19) Liabilities to banks

€ m	31.3.2010	31.12.2009	Change in %
due on demand	46,831	47,510	−1.4
with a residual term	90,838	93,124	−2.5
up to three months	44,563	44,485	0.2
over three months to one year	18,350	19,580	−6.3
over one year to five years	14,201	14,216	−0.1
over five years	13,724	14,843	−7.5
Total	**137,669**	**140,634**	**−2.1**
of which repos and cash collaterals	36,005	31,556	14.1
of which relate to the category:			
Liabilities measured at amortized cost	136,581	139,083	−1.8
Applying the fair value option	1,088	1,551	−29.9

(20) Liabilities to customers

€ m	31.3.2010	31.12.2009	Change in %
Savings deposits	7,111	7,429	−4.3
with an agreed period of notice of			
three months	5,695	6,095	−6.6
over three months	1,416	1,334	6.1
Other liabilities to customers	253,300	257,189	−1.5
due on demand	135,526	131,773	2.8
with an agreed residual maturity	117,774	125,416	−6.1
up to three months	48,447	57,651	−16.0
over three months to one year	17,861	15,240	17.2
over one year to five years	14,888	16,823	−11.5
over five years	36,578	35,702	2.5
Total	**260,411**	**264,618**	**−1.6**
of which repos and cash collaterals	23,228	17,619	31.8
of which relate to the category:			
Liabilities measured at amortized cost	258,593	262,960	−1.7
Applying the fair value option	1,818	1,658	9.7

(21) Securitized liabilities

Securitized liabilities consist of bonds and notes, including mortgage and public-sector Pfandbriefe, money-market instruments (e.g. certificates of deposit, Euro-notes, commercial paper), index certificates, own acceptances and promissory notes outstanding.

€ m	31.3.2010	31.12.2009	Change in %
Bonds and notes issued	146,550	148,670	−1.4
of which: Mortgage Pfandbriefe	33,743	33,506	0.7
Public-sector Pfandbriefe	62,480	63,885	−2.2
Money market instruments issued	22,351	22,612	−1.2
Own acceptances and promissory notes outstanding	83	88	−5.7
Total	**168,984**	**171,370**	**−1.4**
of which relate to the category:			
Liabilities measured at amortized cost	165,591	167,867	−1.4
Applying the fair value option	3,393	3,503	−3.1

Residual maturities of securitized liabilities | € m	31.3.2010	31.12.2009	Change in %
due on demand	35	92	−62.0
with an agreed residual maturity	168,949	171,278	−1.4
up to three months	22,433	27,318	−17.9
over three months to one year	42,119	35,215	19.6
over one year to five years	75,534	77,501	−2.5
over five years	28,863	31,244	−7.6
Total	**168,984**	**171,370**	**−1.4**

In the first three months of financial year 2010 new bonds and notes amounting to €27.3bn were issued. In the same period the volume of redemptions/repurchases amounted to €0.9bn and the volume of bonds and notes maturing to €28.7bn.

(22) Trading liabilities

Liabilities from trading activities show the negative fair values of financial instruments not employed as hedging instruments in connection with hedge accounting as well as lending commitments with negative market values. Delivery commitments arising from short sales of securities are also included under liabilities from trading activities.

€ m	31.3.2010	31.12.2009	Change in %
Currency-related derivative transactions	17,398	16,999	2.3
Interest-related derivative transactions	154,137	145,764	5.7
Other derivative transactions	14,103	15,609	−9.6
Delivery commitments on short sales of securities, negative market values of lending commitments and other trading liabilities	15,820	14,632	8.1
Total	**201,458**	**193,004**	**4.4**

Other derivative transactions consist mainly of €7,228m (previous year: €7,738m) in equity derivatives and €5,683m (previous year: €6,668m) in credit derivatives.

(23) Provisions

€ m	31.3.2010	31.12.2009	Change in %
Provisions for pensions and similar commitments	721	759	−5.0
Other provisions	4,324	4,356	−0.7
Total	**5,045**	**5,115**	**−1.4**

(24) Other liabilities

€ m	31.3.2010	31.12.2009	Change in %
Liabilities to film funds	2,175	2,219	−2.0
Liabilities from disposal groups held for sale	5,916	2,839	.
Debt capital from minority interests	1,987	1,985	0.1
Other, including accrued and deferred items	3,715	1,899	95.6
Total	**13,793**	**8,942**	**54.2**

Other liabilities include obligations arising from outstanding invoices, payroll taxes due for payment to the authorities and accrued and deferred liabilities.

(25) Subordinated capital

€ m	31.3.2010	31.12.2009	Change in %
Subordinated liabilities	12,287	12,215	0.6
Profit-sharing certificates outstanding	3,093	3,372	−8.3
Accrued interest, including discounts	−214	−277	−22.7
Measurement effects	742	540	37.4
Total	**15,908**	**15,850**	**0.4**
of which relate to the category: Liabilities measured at amortized cost	15,879	15,821	0.4
Applying the fair value option	29	29	0.0

The volume of maturing issues for profit-sharing certificates was €0.3bn in the first three months of 2010. Beyond this there were no material changes in subordinated capital.

(26) Hybrid capital

€ m	31.3.2010	31.12.2009	Change in %
Hybrid capital	4,965	5,191	−4.4
Accrued interest, including discounts	−1,147	−1,342	−14.5
Measurement effects	239	230	3.9
Total	**4,057**	**4,079**	**−0.5**
of which relate to the category: Liabilities measured at amortized cost	4,057	4,079	−0.5
Applying the fair value option	–	–	.

There were no material changes in the first three months of 2010.

Other notes

(27) Capital requirements and capital ratios

€ m	31.3.2010	31.12.2009	Change in %
Core capital	30,038	29,520	1.8
Supplementary capital	12,281	11,893	3.3
Tier 3 capital	–	24	.
Eligible capital	**42,319**	**41,437**	**2.1**

€ m	31.3.2010	31.12.2009
Capital requirement credit risk	19,778	19,705
Capital requirement market risk	916	1,144
Capital requirement operational risk	1,617	1,562
Total capital requirement	**22,311**	**22,411**
Eligible capital	42,319	41,437
Core capital ratio (%)	10.8	10.5
Total capital ratio (%)	15.2	14.8

(28) Contingent liabilities and irrevocable lending commitments

€ m	31.3.2010	31.12.2009	Change in %
Contingent liabilities	39,309	40,755	–3.5
from rediscounted bills of exchange credited to borrowers	4	3	33.3
from guarantees and indemnity agreements	39,170	40,603	–3.5
from other commitments	135	149	–9.4
Irrevocable lending commitments	68,941	69,281	–0.5

Provisions for contingent liabilities and irrevocable lending commitments have been deducted from the respective items.

(29) Derivative transactions

The nominal amounts and fair values in derivatives business (investment and trading books) were as follows:

31.3.2010	Nominal amount, by residual term				Fair value	
€ m	under 1 year	1–5 years	over 5 years	Total	positive	negative
Foreign exchange forward transactions	635,444	226,614	97,668	959,726	17,259	17,724
Interest rate forward transactions	3,001,464	4,017,813	3,670,268	10,689,545	341,659	345,151
Other forward transactions	278,995	500,905	72,967	852,867	14,898	17,649
Gross position	**3,915,903**	**4,745,332**	**3,840,903**	**12,502,138**	**373,816**	**380,524**
of which: exchange-traded	*259,526*	*70,780*	*4,728*	*335,034*		
Net position in the balance sheet					**187,249**	**193,957**

31.12.2009	Nominal amount, by residual term				Fair value	
€ m	under 1 year	1–5 years	over 5 years	Total	positive	negative
Foreign exchange forward transactions	571,423	210,591	94,331	876,345	18,121	17,357
Interest rate forward transactions	3,203,110	4,070,995	3,778,484	11,052,589	284,970	289,293
Other forward transactions	274,912	507,034	74,083	856,029	17,331	19,830
Gross position	**4,049,445**	**4,788,620**	**3,946,898**	**12,784,963**	**320,422**	**326,480**
of which: exchange-traded	*355,726*	*67,464*	*3,596*	*426,786*		
Net position in the balance sheet					**183,659**	**189,717**

(30) Fair value of financial instruments

	Fair value		Carrying amount		Difference	
in €bn	**31.3.2010**	**31.12.2009**	**31.3.2010**	**31.12.2009**	**31.3.2010**	**31.12.2009**
Assets						
Cash reserve	9.5	10.3	9.5	10.3	–	–
Claims on banks	108.7	106.7	108.8	106.7	−0.1	0.0
Claims on customers	344.0	352.8	342.4	352.2	1.6	0.6
Hedging instruments	4.2	6.4	4.2	6.4	–	–
Trading assets	230.3	218.7	230.3	218.7	–	–
Financial assets	128.1	130.9	129.0	131.3	−0.9	−0.4
Liabilities						
Liabilities to banks	137.9	139.8	137.7	140.6	0.2	−0.8
Liabilities to customers	259.9	263.8	260.4	264.6	−0.5	−0.8
Securitized liabilities	168.9	171.0	169.0	171.4	−0.1	−0.4
Hedging instruments	8.3	11.3	8.3	11.3	–	–
Liabilities from trading activities	201.5	193.0	201.5	193.0	–	–
Subordinated and hybrid capital	19.0	18.1	20.0	19.9	−1.0	−1.8

In net terms, the difference between the carrying amount and fair value for all items amounted to €2.0bn as at March 31, 2010 (previous year: €4.0bn).

In the tables below the financial instruments reported in the balance sheet at fair value are grouped by category. There is also a breakdown according to whether fair value is based on quoted market prices (Level I), observable market data (Level II) or unobservable market data (Level III).

Financial assets | in €bn	**31.3.2010**				**31.12.2009**
	Level I	**Level II**	**Level III**	**Total**	**Total**
Fair value option	3.7	3.4	0.8	7.9	10.5
Hedge accounting	–	4.2	–	4.2	6.4
Held for trading	43.5	182.9	3.9	230.3	218.7
Available for sale	12.3	32.3	0.9	45.5	45.0
Total	**59.5**	**222.8**	**5.6**	**287.9**	**280.6**

Financial liabilities | in €bn	**31.3.2010**				**31.12.2009**
	Level I	**Level II**	**Level III**	**Total**	**Total**
Fair value option	6.3	–	–	6.3	6.8
Hedge accounting	–	8.3	–	8.3	11.3
Held for trading	15.8	183.2	2.5	201.5	192.9
Total	**22.1**	**191.5**	**2.5**	**216.1**	**211.0**

(31) Treasury shares

	Number of shares[1] in units	**Accounting par value in €1,000**	**Percentage of share capital**
Holdings on 31.3.2010	1,023,119	2,660	0.09
Largest number acquired during the financial year	4,171,047	10,845	0.35
Total shares pledged by customers as collateral on 31.3.2010	11,390,767	29,616	0.97
Shares acquired during the financial year	44,160,773	114,818	–
Shares disposed of during the financial year	44,001,559	114,404	–

[1] Accounting par value per share of €2.60.

(32) Dealings with related parties

As part of its normal business activities, the Commerzbank Group does business with related parties. These include parties that are controlled but not consolidated for reasons of materiality, associated companies, external service providers of occupational pensions for employees of Commerzbank AG, key management personnel and members of their families as well as companies controlled by these persons. Key management personnel refers exclusively to members of Commerzbank AG's Board of Managing Directors and Supervisory Board.

As the guarantor of the Financial Market Stabilization Authority, which manages the Special Fund for Financial Market Stabilization (SoFFin), the German federal government holds an ownership interest of 25% plus one share in Commerzbank AG, which gives it the potential to exert significant influence over the Company. As a result the German federal government and entities controlled by it constitute related parties as defined by IAS 24. In this section we present relationships with federal government-controlled entities separately from relationships with other related parties.

Assets and liabilities and off-balance-sheet items in connection with related parties changed as follows in reporting period:

€ m	1.1.2010	Additions	Deductions	Changes in group of consolidated companies	Changes in exchange rates	31.3.2010
Claims on banks	923	–	20	–	–	903
Claims on customers	1,042	168	73	–3	2	1,136
Financial assets	39	16	–	–	2	57
Total	**2,004**	**184**	**93**	**–3**	**4**	**2,096**
Liabilities to banks	6	1	1	–	–	6
Liabilities to customers	1,512	353	399	32	1	1,499
Total	**1,518**	**354**	**400**	**32**	**1**	**1,505**
Off-balance-sheet items						
Guarantees and collateral granted	131	27	–	–	1	159
Guarantees and collateral received	35	18	21	–	1	33

In addition, the Commerzbank Group held trading assets of €998m as at March 31, 2010, and trading liabilities of €1,529m. These trading positions stem largely from non-consolidated funds.

The following income and expenses arose from loan agreements with, deposits from and services provided in connection with related parties:

1.1.–31.3.2010 | € m	Expenses	Income
Interest	9	16
Commission	7	10
Goods and services	462	113
Write-downs/impairments	–	–

The Commerzbank Group conducts transactions with federal government-controlled entities as part of its ordinary business activities on standard market terms and conditions. Assets and liabilities and off-balance-sheet items in connection with federal government-controlled entities changed as follows in the reporting period:

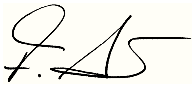
€ m	1.1.2010	Additions	Deductions	Changes in group of consolidated companies	Changes in exchange rates	31.3.2010
Cash reserve	3,633	–	1,156	–	–	2,477
Claims on banks	213	84	91	–	–	206
Claims on customers	2,378	2,126	156	–	–	4,348
Financial assets	6,209	780	–	–	–	6,989
Total	**12,433**	**2,990**	**1,403**	**–**	**–**	**14,020**
Liabilities to banks	24,260	244	943	–	–	23,561
Liabilities to customers	90	–	54	–	–	36
Subordinated capital [1]	16,428	–	–	–	–	16,428
Total	**40,778**	**244**	**997**	**–**	**–**	**40,025**
Off-balance-sheet items						
Guarantees and collateral granted	3	–	–	–	–	3
Guarantees and collateral received	5,000	–	–	–	–	5,000

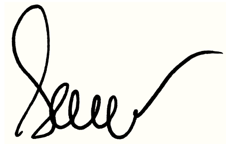
[1] Subordinated capital represents the silent participation of the Special Fund for Financial Market Stabilization (SoFFin).

In addition, the Commerzbank Group held trading assets at March 31, 2010, of €5,321m from the transaction with the federal government.

Frankfurt am Main, May 4, 2010
The Board of Managing Directors

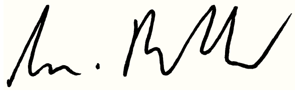

Martin Blessing

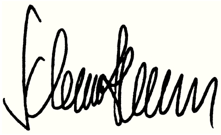

Frank Annuscheit

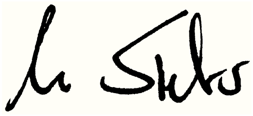

Markus Beumer

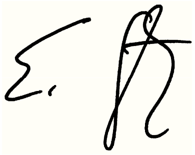

Achim Kassow


Jochen Klösges


Michael Reuther


Stefan Schmittmann


Ulrich Sieber


Eric Strutz

Boards of Commerzbank Aktiengesellschaft

Supervisory Board

Klaus-Peter Müller
Chairman

Uwe Tschäge*
Deputy Chairman

Hans-Hermann Altenschmidt*

Dott. Sergio Balbinot

Dr.-Ing. Burckhard Bergmann

Herbert Bludau-Hoffmann*

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Sonja Kasischke*

Prof. Dr.-Ing. Dr.-Ing. E.h. Hans-Peter Keitel

Alexandra Krieger*

Dr. h.c. Edgar Meister

Prof. h.c. (CHN) Dr. rer. oec. Ulrich Middelmann

Dr Helmut Perlet

Barbara Priester*

Dr. Marcus Schenck

Dr. Walter Seipp
Honorary Chairman

* Elected by the Bank's employees

Board of Managing Directors

Martin Blessing
Chairman

Frank Annuscheit

Markus Beumer

Dr. Achim Kassow

Jochen Klösges

Michael Reuther

Dr. Stefan Schmittmann

Ulrich Sieber

Dr. Eric Strutz

Report of the audit review

To Commerzbank Aktiengesellschaft, Frankfurt am Main

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated balance sheet, the condensed statement of comprehensive income, the condensed cash flow statement, the condensed statement of changes in equity and selected Notes – as well as the Group interim management report for Commerzbank Aktiengesellschaft, Frankfurt am Main, for the period from January 1 to March 31, 2010, which are components of the quarterly financial statement according to Art. 37 x para. 3 of the German Securities Trading Act. The preparation of the condensed Group interim financial statements in accordance with the IFRS governing interim reporting as applicable in the EU, and the Group interim report in accordance with the applicable provisions of the German Securities Trading Act, are the responsibility of the Group's management. Our responsibility is to express an opinion on these condensed consolidated interim financial statements and the Group interim management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the Group interim management report in accordance with German generally accepted standards for the review of financial statements as promulgated by the Institut der Wirtschaftsprüfer or IDW (Institute of Public Auditors in Germany). These standards require that we plan and perform the review to obtain reasonable assurance that the condensed consolidated interim financial statements are free of material misstatement as required by the IFRS governing interim reporting as applicable in the EU, and that the Group interim management report is free of material misstatement as required by the provisions of the German Securities Trading Act concerning Group interim management reports. An audit review is limited primarily to interviews with Group employees and to analytical assessments, and thus does not offer the level of security afforded by a full audit. Since we were not instructed to perform a full audit, we cannot issue an audit certificate.

Our review revealed nothing to suggest that the condensed consolidated interim financial statements were not prepared in accordance with the IFRS governing interim reporting as applicable in the EU, or that the Group interim management report were not prepared in accordance with the provisions of the German Securities Trading Act concerning Group interim management reports.

Frankfurt am Main, May 4, 2010

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Lothar Schreiber
(Wirtschaftsprüfer)
(German Public Auditor)

Clemens Koch
(Wirtschaftsprüfer)
(German Public Auditor)

Group companies and major foreign holdings

Germany
Atlas Vermögensverwaltungs-Gesellschaft mbH, Bad Homburg v.d.H.
comdirect bank AG, Quickborn
Commerz Real AG, Eschborn
Deutsche Schiffsbank AG, Bremen / Hamburg
Eurohypo AG, Eschborn
Süddeutsche Industrie-Beteiligungs-GmbH, Frankfurt am Main

Abroad
BRE Bank SA, Warsaw
Commerzbank Capital Markets Corporation, New York
Commerzbank (Eurasija) SAO, Moscow
Commerzbank Europe (Ireland), Dublin
Commerzbank International S.A., Luxembourg
Commerzbank (South East Asia) Ltd., Singapore
Commerzbank Zrt., Budapest
Erste Europäische Pfandbrief- und Kommunalkreditbank AG, Luxembourg
Joint Stock Commercial Bank „Forum", Kiev

Operative foreign branches
Amsterdam, Barcelona, Bratislava, Beijing, Brno (office), Brussels, Dubai, Hong Kong, Hradec Králové (office), Košice (office), London, Luxembourg, Madrid, Milan, New York, Ostrava (office), Paris, Plzeň (office), Prague, Shanghai, Singapore, Tianjin, Tokyo, Vienna, Warsaw, Zurich

Representative Offices and Financial Institutions Desks
Addis Ababa, Almaty, Ashgabat, Baku, Bangkok, Beijing (FI Desk), Beirut, Belgrade, Brussels (Liaison Office to the European Union), Bucharest, Buenos Aires, Cairo, Caracas, Dubai (FI Desk), Ho Chi Minh City, Hong Kong (FI Desk), Istanbul, Jakarta, Johannesburg, Kiev, Kuala Lumpur, Lagos, Melbourne, Milan (FI Desk), Minsk, Moscow, Mumbai, New York (FI Desk), Novosibirsk, Panama City, Riga, Santiago de Chile, São Paulo, Seoul, Shanghai (FI Desk), Singapore (FI Desk), Taipei, Tashkent, Tehran, Tripoli, Zagreb

Frankfurt am Main, May 10, 2010

C O M M E R Z B A N K
AKTIENGESELLSCHAFT

by: Borinski	by: Jung