

Phoenix Autocallable Certificate
(ITU, VCP, ABV, SDA)
Terms and Conditions

Issuer:	Commerzbank AG
Rating:	Aa3 (Moody's) / A (S&P)
Lead Manager:	Commerzbank AG
Type of Security:	Certificate issued under the Notes/Certificates programme of the issuer
Underlyings:	Banco Itau Holding Financiera S. A. (Bloomberg: ITU UN Equity , ISIN: US0596022014) Vototantim Celulose e Papel S. A. (Bloomberg: VCP UN Equity , ISIN: US92906P1066) Companhia de Bebidas S. A. (Bloomberg: ABV UN Equity , ISIN: US20441W2035) Sadia S. A. (Bloomberg: SDA UN Equity , ISIN: US7863261084)

Trade Date:	04 June 2008
Strike Date:	01 July 2008
Payment Date:	03 July 2008
Final Observation Date:	04 January 2010
Final Redemption Date:	11 January 2010, subject to Early Redemption in accordance with the provisions of Early Redemption below

Currency:	USD
Issue Size:	20,000 Certificates
Issue Price:	USD 1,000

Observation Dates (i):	Monthly after Strike Date (18 Observations, including Final Observation Date): 01-Aug-08 02-Sep-08 01-Oct-08 03-Nov-08 01-Dec-08 02-Jan-09 02-Feb-09 02-Mar-09 01-Apr-09 01-May-09 01-Jun-09 01-Jul-09 03-Aug-09 01-Sep-09 01-Oct-09 02-Nov-09 01-Dec-09 04-Jan-10
Payment Dates:	Monthly after Payment Date (17 Redemption Dates including Final Redemption Date): 08-Aug-08 08-Sep-08 08-Oct-08 10-Nov-08 08-Dec-08 08-Jan-09 09-Feb-09 09-Mar-09 08-Apr-09 08-May-09 08-Jun-09 08-Jul-09 10-Aug-09 08-Sep-09 08-Oct-09 09-Nov-09 08-Dec-09

Strike:	Closing value of the Underlyings on Strike Date:
Fixed Interest Amount (FI):	2.15
Coupon Barrier:	80% of Strike:
Knock-In Barrier:	80% of Strike (observed only at Maturity)

Underlyings	Exchange	Initial Spot Price	Call Trigger (100%)	Knock-In Barrier (80%)	Coupon Barrier (80%)
ITU UN	Continuous	USD 19.99	USD 19.99	USD 15.99	USD 15.99
VCP UN	Continuous	USD 26.42	USD 26.42	USD 21.14	USD 21.14
ABV UN	Continuous	USD 61.52	USD 61.52	USD 49.22	USD 49.22
SDA UN	Continuous	USD 20.83	USD 20.83	USD 16.66	USD 16.66

Early Redemption:	<p>If at any Observation Date i ($i=5,6,7... 17$), all Underlyings close at or above their respective Call Trigger, the certificate is redeemed early and the investor receives the following payoff per certificate on the immediately following Payment Date:</p> <p style="text-align: center;">USD 1,000</p> <p style="text-align: center;">For the avoidance of doubt: Certificates can only be early redeemed from month 5 onwards</p>
Fixed Interest Amount (FI) Payment:	<p>If at any Observation Date i ($i=1, 2, 3... 17$), all Underlyings close at or above their respective Coupon Barrier, the investor receives on the immediately following Early Redemption Date an amount in USD per certificate equal to:</p> <p style="text-align: center;">Fixed Interest Amount</p>
Redemption at Maturity:	<p>Unless redeemed early:</p> <p>If all Underlyings close at or above the Knock-In Barrier at the Final Observation Date, the certificate holder will receive the following payoff per certificate:</p> <p style="text-align: center;">USD 1,000</p> <p>Else, the investor will receive per certificate a number of shares, per Certificate, calculated according to the following formula (Fractions to be cash settled)</p> <p style="text-align: center;">USD 1,000 / Worst_{initial}</p> <p>Where, Worst_{initial} equals the closing level of the Worst Performing Underlying on Strike Date</p> <p>Number of shares: ITU: 50.025 VCP: 37.850 ABV: 16.255 SDA: 48.008</p>
Business Days:	TARGET
Business Day Convention:	Following, Unadjusted
Listing:	None
Settlement:	Euroclear / Clearstream
Secondary Market / Liquidity:	Commerzbank hereby agrees to provide firm quotes, under normal market conditions, for trading purposes upon request, subject to a Bid-Offer spread of 1%
Common Code/ ISIN:	XS0369963409/ 036996340
WKN:	WKN CB9YHW
Valoren:	4299373
TEFRA Rule:	TEFRA D
Bloomberg/Reuters:	COSP000

DISCLAIMER

This term sheet has been prepared by Commerzbank Corporates & Markets, which is the trading and investment banking division of Commerzbank Aktiengesellschaft ("**Commerzbank**"). This term sheet is for discussion purposes only, and all matters arising from it will be governed by English law unless expressly agreed otherwise. It should not be construed as a solicitation, offer or commitment by Commerzbank or any of its affiliates to enter into a transaction, nor does it attempt to describe all the relevant terms of the transaction referred to in it. Instead, it is intended to outline certain basic points of business understanding around which a transaction could be structured. Since any terms quoted are indicative they are subject to change at any time without notice. Numerous assumptions have been made in the preparation of this term sheet and no assurance can be given as to its accuracy and/or completeness. Any subsequent offer by Commerzbank or any of its affiliates to enter into a transaction will be made on the terms, and will be subject to the conditions, specified by it.

If a transaction is entered into, its terms will be found entirely in the final documentation; this term sheet may not be used to construe such terms and will be superseded in its entirety by the final documentation to the exclusion of all prior written and oral communications. This term sheet should not, therefore, be regarded as containing any representations concerning the content of such terms or any other matter. Accordingly neither Commerzbank nor any of its affiliates assumes any responsibility for the contents of this term sheet, or for any written or oral communications in connection with it (or any prospective transaction), regardless of any negligence on their part. This does not, however, exclude any liability that may arise under the Financial Services and Markets Act 2000.

Recipients of this term sheet should undertake an independent review of the legal, tax, regulatory and accounting implications of the transaction referred to in it in order to determine the suitability of the transaction described in this term sheet in the light of their particular objectives. Commerzbank (or any affiliate which offers to enter to a transaction) is solely an arm's length contractual counterparty. It is not acting as an adviser or fiduciary, and neither this term sheet nor any communications from it should be treated as constituting financial, investment or other advice of any kind, or as a recommendation to enter into any transaction. No employee or agent of Commerzbank or any of its affiliates has authority to give any advice or (except as expressly set out in the final documentation for any transaction) make any representations on its behalf in connection with this term sheet or any prospective transaction.

Commerzbank and its affiliates may have material interests that conflict with the interests of the recipient of this term sheet. For example, they may be dealing as a principal in any investments which are the subject of the transaction referred to in it and may have a long or short position in connection with such dealing. They may also be providing services to other persons in connection with these investments, may be acting as an underwriter in respect of them and/or may be acting as financial adviser or lending banker to the issuer of them. In connection with these activities, they may hold material information but will be under no obligation to take it into account or make it available to any person.

This document is not for distribution to private customers and has been issued or approved for issue in the United Kingdom by Commerzbank AG, London Branch, which is (1) authorised by the German regulator Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and by the Financial Services Authority; and (2) regulated by the Financial Services Authority for the conduct of business in the United Kingdom.

The requirements for a public offer in any member state of the European Economic Area ("**EEA**") (the "**EEA Member States**") are not fulfilled. Consequently, the securities may not be publicly offered in any of the EEA Member State (except as explicitly provided under the prospectus exemption of the EU Directive 2003/71 (the "**EU Directive**") with respect to inter alia (i) an offer of securities addressed to solely qualified investors as defined in the EU Directive, and/or (ii) an offer of securities addressed to fewer than 100 natural or legal persons, and/or (iii) an offer of securities addressed to investors who acquire securities for a total consideration of EUR 50,000, and/or (iv) an offer of securities whose denomination per unit amounts to at least EUR 50,000

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.

United States: This security described herein will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any transaction by U.S. persons must be effected with Commerzbank Capital Markets Corp. ("**CCMC**"), a U.S. registered broker-dealer and a member of NASD and SIPC. The U.S. Federal income tax consequences of certain investments are uncertain as there is no legal authority as to their proper characterization for U.S. Federal income tax purposes. Prospective investors should consult their tax advisors as to the Federal, state, local and other tax consequences to the purchase, ownership and disposition of investment products.