

3Y Reverse Convertible Note in USD on GGB

Final Terms and Conditions

Issuer: Commerzbank AG
Lead Manager: Commerzbank AG
Type: Issued under the notes/certificates program

Underlying: GERDAU SA -SPON ADR, (Bloomberg: GGB UN Equity, ISIN: US3737371050)

Trade Date: 26 July 2007
Strike Date: 20 August 2007
Payment Date: 30 August 2007
Valuation Date: 26 August 2010
Redemption Date: 30 August 2010

Issue Price: 100%
Currency: USD

Strike Price: 100% of Initial Spot Price
Initial Spot Price: **USD 20.58**
Barrier: 80% of Initial Spot Price
USD 16.46
Coupon: **9% p.a., paid Annually**
Coupon Payment Dates: 02 September 2008, 31 August 2009, 30 August 2010

Redemption at Maturity:

On the Redemption Date holders will receive:

If the closing price of the Underlying on the Final Valuation Date is greater than or equal to the relevant Barrier
Denomination * 100%

OR

Otherwise an amount in USD equal to

$$\text{Denomination} * \frac{\text{WP}_F}{100\% * \text{WP}_K}$$

Where:

WP_K means the Strike Level of the UnderlyingWP_F is the closing price of the Underlying on the Final Valuation Date.

Day Count Basis: Actual/Actual
Business Day For: New York
Payments:
Business Day Convention: Following Business Day (Unadjusted)
TEFRA Rule: TEFRA D
ISIN: XS0314565093
WKN / Series: CB5 WVG / A572
Telekurs Code: CH3301711
Settlement: Euroclear/Clearstream
Listing: None
Calculation Agent: Commerzbank AG
Coupon Split: Option Interest: 4.5% p.a.
Option Premium: 4.5% p.a.
EU Savings Tax: In Scope / Code 6
Classification:
Secondary Market: On the secondary market, traded prices will NOT include any accrued interest ("clean prices").

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