

3Y Reverse Convertible Note in USD on Gerdau

Final Terms and Conditions

Issuer:	Commerzbank AG
Rating:	Aa3(Moody's)/A(S&P)
Lead Manager:	Commerzbank AG
Type:	Stand Alone Bond
Underlying:	GERDAU SA -SPON ADR, (Bloomberg: GGB UN Equity, ISIN: US3737371050)
Trade Date:	15 August 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:	9.55% p.a. , paid annually
Coupon Payment Dates:	30 August 2008, 30 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)
ISIN:	XS0317458452
WKN:	CB5 WTN
Telekurs Code:	CH3338787
Settlement:	Euroclear/Clearstream
Listing:	None
Calculation Agent:	Commerzbank AG
Coupon Split:	Option Interest: 4.50% p.a. Option Premium: 5.05% 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").
TEFRA Rule:	TEFRA C

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