COMMERZBANK

3 Years Classic Autocall on Vodafone, LinkedIn, Tesla Motors

Key Facts:

- Maturity : Up to 3 years (if not previously autocalled)
- Currency: USD
- Underlyings
  VOD LN Equity
  LNKD UN Equity
  TSLA UQ Equity
- Up to 48% return
- Invested capital is at risk at maturity if at least one of the underlyings closes below 50% of its Strike Level
- ISIN: XS1081514397

Investment rationale:

Vodafone gives you exposure of the telecommunication sector. LinkedIn gives you the opportunity to participate in the fast developing and global internet market. Tesla is the revolutionary electric car maker which share price has increased six fold since January 2013. All three shares are Blue Chips, and give you access to two of the biggest and strongest Economies in the world .

How this product works:

- This investment product is linked to the performance of three internationally known Blue Chips Shares, Vodafone, LinkedIn, Tesla Motors.
- At the start of the product, on the trade date, the Investor purchases Denominations of the Note. On Strike date, the closing levels of the shares are recorded and these levels are taken as the Strike Levels. On each Early Observation Date, the closing levels of the Shares are observed, and if all of the shares close at or above 100% of their Strike Levels or all of them have closed above their intial strikes on different observation dates the product is Autocalled, and the Investor receives 100% of his investment returned plus a coupon of 4% multiplied by the number of the quarterly Observation Dates, (there are 11 Observation Dates in total) and the product terminates. Example:
- If on the 3rd Observation date, the closing level of all shares are at or above 100% of their Strikes, or for instance two of them were at or above 100% of their Strike on the second observation date and the third one is at or above 100% of its Strike on the 3rd observation date (Memory Trigger), then the Note autocalls and the Investor will receive all his investment amount back plus a 4% Coupon multiplied by 3 (the number of the Observation Date) and the product terminates.
- If the Investment does not autocall before the final Observation Date and if not all the shares are at or above 100% and not one is below 50% of its Strike level at that time, the Investor will receive all its Investment amount back, with no Coupon payment. In the event that at least one share is below 50% of its Strike, the amount invested by the Investor will receive back will be reduced.
- If on the Final Observation date, the worst performing share closes at 45% of its Strike Level, then the Investor will receive 45% of its initial investment amount returned.

Underlyings:

Vodafone Group is a mobile telecommunications company operating in Continental Europe, the United Kingdom, the United States, Asia Pacific, Africa and the Middle East.

LinkedIn operates a social networking website used for professional networking; It allows members to post a profile of their professional expertise and accomplishments, allowing them to be introduced to potential clients, service providers and subject experts.

Tesla Motors, Inc. designs, manufactures, and sells high-performance electric vehicles and electric vehicle powertrain components. The Company owns its sales and service network and sells electric powertrain components to other automobile manufacturers.

Indicative terms and conditions	
Issuer:	Commerzbank AG
Ratings:	A+ (Fitch) / A- (S&P)
Lead manager:	Commerzbank AG
Type of security:	Note issued under the Notes programme of the issuer
Underlying:	Underlying — Ticker (Bloomberg) VODAFONE — VOD LN EQUITY LINKEDIN — LNKD UN EQUITY TESLA MOTORS — TSLA UQ EQUITY
Strike Date:	18-07-2014
Payment Date:	25-07-2014
Early Observation Dates:	20-10-2014, 20-01-2015, 20-04-2015, 20-07-2015, 19-10-2015, 19-01-2016, 18-04-2016, 18-07-2016, 18-10-2016, 18-01-2017, 18-04-2017
Early Redemption Dates:	27-10-2014, 27-01-2015, 27-04-2015, 27-07-2015, 26-10-2015, 26-01-2016, 25-04-2016, 25-07-2016, 25-10-2016, 25-01-2017, 25-04-2017
Final Valuation Date:	18-07-2017
Final Redemption Dates:	25-07-2017
Issue Price:	100%
Currency:	USD
Minimum Investment:	USD 1,000
Denomination:	USD 1,000
Strike Level:	Determined on 18-07-2014
European Barrier:	50%
Coupon:	4% (16% p.a.)
Autocall Memory Trigger:	If, on an Early Observation Date, all the Underlyings close above 100% of their Strike Levels or all of them have closed separately on different observation dates , the product is Autocalled
Early Redemption:	If on any Early Observation Dates n (n=1,2...11) the Autocall is Triggered, Note holders will receive an amount per Denomination in accordance with the following formula on the immediately following Early Redemption Date: **Denomination + (Denomination * (n * Coupon))**
Redemption at Maturity	Unless Early Redeemed, on the Final Valuation Date, If all the Underlyings close (or have closed, even separately on different early observation dates) above 100% of its strike value the Noteholder will receive: Denomination + (Denomination * (12 * Coupon)) Else, if the least performing underlying closes below 100% but at or above 50% of its initial spot price, the Noteholder will receive Denomination x 100% Else, if the least performing Underlying closes below 50% of its strike level, the Noteholder receives an amount per Denomination in accordance with the following formula: Denomination*(ULf / ULi) Where: ULi Equals to the Strike Price of the least performing Underlying ULf Equals to the Official Closing Level of the least performing Underlying on the Final Valuation Date

LEGAL DISCLAIMER:

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