

**COMMERZBANK AKTIENGESELLSCHAFT**  
Frankfurt am Main

**Final Terms**

dated 15 November 2017

relating to

**Structured Index Certificates  
relating to the  
VAL Carnegie Corporate Bond ER 2 Index  
(ISIN DE000CZ443J1)**

to be publicly offered in the Kingdom of Sweden

with respect to the

**Base Prospectus**

dated 30 January 2017

relating to

**Structured Index Certificates**

## INTRODUCTION

These Final Terms have been prepared for the purpose of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the "Prospectus Directive"), as implemented by the relevant provisions of the EU member states, in connection with Regulation 809/2004 of the European Commission (the "Commission Regulation") and must be read in conjunction with the base prospectus relating to Structured Index Certificates (the "Base Prospectus") and any supplements thereto.

The Base Prospectus and any supplements thereto are published in accordance with Article 14 of the Prospectus Directive in electronic form on the website of COMMERZBANK Aktiengesellschaft at <https://fim.commerzbank.com>. Hardcopies of these documents may be requested free of charge from the Issuer's head office (Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Federal Republic of Germany).

In order to obtain all information necessary for the assessment of the Certificates both the Base Prospectus and these Final Terms must be read in conjunction.

All options marked in the Base Prospectus which refer to (i) the Structured Index Certificates, (ii) the underlying Index and (iii) to information on the subscription period shall apply.

The summary applicable to this issue of Structured Index Certificates is annexed to these Final Terms.

|   |   |
|---|---|
| <b>Issuer:</b>  | COMMERZBANK Aktiengesellschaft  |
| <b>Information on the Underlying:</b>                                   | Information on the VAL Carnegie Corporate Bond ER 2 Index (the " <b>Index</b> ") underlying the Certificate is available on the website <a href="https://emcideas.commerzbank.com/retail">https://emcideas.commerzbank.com/retail</a> .   |
| <b>Offer and Sale:</b>  | <p>COMMERZBANK offers during the subscription period from 15 November 2017 until 15 December 2017 2,000 Structured Index Certificates (the "<b>Certificates</b>") at an initial issue price of SEK 10,000 per Certificate (including a distribution fee of up to 0.9% p.a.).</p> <p>The Issuer is entitled to (i) close the subscription period prematurely, (ii) extend the subscription period or (iii) cancel the offer. After expiry of the subscription period, the Certificates continue to be offered by the Issuer. The offer price will be determined continuously.</p> <p>The investor can purchase the Certificates at a fixed issue price. This fixed issue price contains all costs incurred by the Issuer relating to the issuance and the sale of the Certificates (e.g. distribution cost, structuring and hedging costs as well as the profit margin of the Issuer).</p> |
| <b>Consent to the usage of the Base Prospectus and the Final Terms:</b> | <p>The Issuer hereby grants consent to use the Base Prospectus and these Final Terms for the subsequent resale or final placement of the Certificates by any financial intermediary.</p> <p>The offer period within which subsequent resale or final placement of Certificates by financial intermediaries can be made, is valid only as long as the Base Prospectus and the Final Terms are valid in accordance with Article 9 of the Prospectus Directive as implemented in the relevant Member State and in the period from 15 November 2017 until 15 December 2017.</p> <p>The consent to use the Base Prospectus and these Final Terms is granted only in relation to the following Member State(s): Kingdom of</p>  |

Sweden.

**Payment Date:** 12 January 2018

**Clearing number:** WKN CZ443J  
ISIN DE000CZ443J1

**Issue Currency:** Swedish Kronor ("**SEK**")

**Minimum Trading Size:** One Certificate

## TERMS AND CONDITIONS

### § 1 FORM

1. The issue by COMMERZBANK Aktiengesellschaft, Frankfurt am Main, Federal Republic of Germany (the "**Issuer**") of structured index certificates (the "**Certificates**") will be in dematerialised form and will only be evidenced by book entries in the system of Euroclear Sweden AB, P.O Box 191, Klarabergsviadukten 63, 101 23 Stockholm, Kingdom of Sweden ("**Euroclear Sweden**") for registration of securities and settlement of securities transactions (the "**Clearing System**") in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om kontoföring av finansiella instrument) to the effect that there will be no certificated securities. The Certificates are issued in Swedish Kronor ("**SEK**") (the "**Issue Currency**"). There will be neither global bearer securities nor definitive securities and no physical certificates will be issued with respect to the Certificates.
2. Registration requests relating to the Certificates shall be directed to an account operating institute.
3. Transfers of 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 Issuer is entitled to receive from Euroclear Sweden, at its request, a transcript of the register for the Certificates.
4. "**Certificateholder**" means any person that is registered in a book-entry account managed by the account operator as holder of a Certificate. For nominee registered Certificates the authorised custodial nominee account holder shall be considered to be the Certificateholder

### § 2 DEFINITIONS

For the purposes of these Terms and Conditions, the following definitions shall apply, subject to an adjustment in accordance with these Terms and Conditions:

"**BGB**" means the German Civil Code (Bürgerliches Gesetzbuch).

"**Discontinuation of the Calculation of the Index**" has the meaning given to it in the Index Description.

"**Exposure Amount**" means SEK 100,000.

"**Extraordinary Event**" means

- (a) the Discontinuation of the Calculation of the Index by the Index Calculation Agent;
- (b) a Suspension of the Calculation of the Index for more than five consecutive Fund Business Days; or
- (c) any other event being economically equivalent to the before-mentioned events with regard to their effects.

"**Fund Business Day**" has the meaning as described in the Index Description.

"**Highest Lock Performance**" means a decimal number calculated by applying the following formula:

$$HLP = \frac{\text{Underlying}_{\text{HIGH}}}{\text{Underlying}_{\text{INITIAL}}} - 1$$

where:

HLP = Highest Lock Performance

Underlying<sub>HIGH</sub> = The highest Reference Price with respect to all Lookback Dates

Underlying<sub>INITIAL</sub> = Initial Price

"**Index**" or the "**Underlying**" means the following index as determined and published by the Index Sponsor:

| <i>Index</i>                           | <i>Bloomberg ticker</i> |
|--|-------------------------|
| VAL Carnegie Corporate Bond ER 2 Index | CBK11653 Index          |

The concept of the Index is detailed in the description of the Index which is attached to these Terms and Conditions and forms an integral part of these Terms and Conditions (the "**Index Description**").

"**Index Calculation Agent**" has the meaning as described in the Index Description.

"**Index Calculation Date**" has the meaning as described in the Index Description.

"**Index Level**" has the meaning as described in the Index Description.

"**Index Sponsor**" has the meaning as described in the Index Description.

"**Initial Price**" means the Reference Price determined with respect to the Strike Date. The Initial Price will be published in accordance with § 14.

"**Lookback Date**" means each Index Calculation Date from and including the Strike Date to and excluding the Valuation Date.

If a Lookback Date is not an Index Calculation Date, the relevant Lookback Date shall be postponed to the next following Index Calculation Date which is not already a Lookback Date.

If on a Lookback Date a Suspension of the Calculation of the Index occurs, the relevant Lookback Date shall be postponed to the next following Index Calculation Date which is not already a Lookback Date and on which a Suspension of the Calculation of the Index does not occur.

"**Lock in Level**" means 0.05.

"**Lock in Value**" means a decimal number, calculated by applying the following formula:

$$V = \frac{HLP}{L}$$

where:

V = Lock in Value, rounded down to the nearest integer

HLP = Highest Lock Performance

L = Lock in Level

"**Maturity Date**" means the later of (a) 16 January 2023, subject to postponement in accordance with § 6 paragraph 3 and (b) in the case of a postponement of the Valuation Date in accordance with the provisions contained in the definition of "Valuation Date", the seventh Payment Business Day following the Valuation Date so postponed.

**"Participation Factor"** means a percentage to be determined in the reasonable discretion of the Issuer (*billiges Ermessen*) (§ 315 BGB) on the Strike Date on the basis of the volatility of the Underlying and the market conditions prevailing on such date and will be published in accordance with § 14 hereof. The indication for the Participation Factor based on the market conditions as of 15 November 2017 is 100% (in any case, it will not be below 80%).

**"Payment Business Day"** means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Stockholm and the Clearing System settles payments in the Issue Currency.

**"Reference Price"** means the Index Level as determined and published by the Index Calculation Agent on any Index Calculation Date as described in the Index Description.

**"Strike Date"** means 29 December 2017.

If the Strike Date is not an Index Calculation Date, the Strike Date shall be postponed to the next following Index Calculation Date which is not already a Strike Date.

If on the Strike Date a Suspension of the Calculation of the Index occurs, the Strike Date shall be postponed to the next following Index Calculation Date on which a Suspension of the Calculation of the Index does not occur.

**"Suspension of the Calculation of the Index"** has the meaning given to it in the Index Description.

**"Trade Date"** means 27 December 2017.

The Trade Date may be postponed by the Issuer in its reasonable discretion (*billiges Ermessen*) (§ 315 German Civil Code (*BGB*)).

**"Underlying Performance"** means a decimal number calculated by applying the following formula:

$$UP = \frac{\text{Underlying}_{\text{FINAL}}}{\text{Underlying}_{\text{INITIAL}}}$$

where:

UP = Underlying Performance

Underlying<sub>FINAL</sub> = Reference Price with respect to the Valuation Date

Underlying<sub>INITIAL</sub> = Initial Price

**"Valuation Date"** means 29 December 2022.

If the Valuation Date is not an Index Calculation Date, the Valuation Date shall be postponed to the next following Index Calculation Date.

If on the Valuation Date a Suspension of the Calculation of the Index occurs, the Valuation Date shall be postponed to the next following Index Calculation Date on which a Suspension of the Calculation of the Index does not occur.

### § 3 FIXED AMOUNT

No additional amounts shall be payable under the Certificates.

#### § 4 MATURITY

Subject to the provisions contained in § 5, the Certificates will be redeemed on the Maturity Date by the payment of an amount in the Issue Currency (the "**Redemption Amount**"). determined by the Issuer in accordance with the following provisions:

$$RA = EA \times PF \times \text{Max}(V \times L; UP - X)$$

where:

|    |   |                                   |
|----|---|-----------------------------------|
| RA | = | Redemption Amount per Certificate |
| EA | = | Exposure Amount                   |
| PF | = | Participation Factor              |
| V  | = | Lock in Value                     |
| L  | = | Lock in Level                     |
| UP | = | Underlying Performance            |
| X  | = | 1 (one)                           |

#### § 5 EARLY REDEMPTION

1. Except as provided in § 8, the Issuer shall not be entitled to redeem the Certificates prior to the Maturity Date.
2. The Certificateholders shall not be entitled to call for redemption of the Certificates prior to the Maturity Date.
3. The Certificates shall not be terminated automatically and redeemed prior to the Maturity Date.

#### § 6 PAYMENTS

1. All amounts payable under these Terms and Conditions will be rounded to the nearest SEK 0.01 (SEK 0.005 will be rounded up).
2. All amounts payable pursuant to these Terms and Conditions shall be paid to the Paying Agent for transfer to the Clearing System or pursuant to the Clearing System's instruction for credit to the relevant accountholders on the dates stated in these Terms and Conditions. Payment to the Clearing System or pursuant to the Clearing System's instruction shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.
3. If any payment pursuant to these Terms and Conditions is to be made on a day that is not a Payment Business Day, payment shall be made on the next following Payment Business Day. In this case, the Certificateholder shall neither be entitled to any payment claim nor to any interest claim or other compensation with respect to such delay.
4. All payments are in all cases subject to any applicable fiscal or other laws, regulations and directives and subject to the provisions contained in § 10.

## § 7 ADJUSTMENTS

Upon the occurrence of an Extraordinary Event which has a material effect on the Index or the level of the Index, the Issuer shall make any such adjustments to the Terms and Conditions as are necessary to account for the economic effect of the Extraordinary Event on the Certificates and to preserve, to the extent possible, the economic profile that the Certificates had prior to the occurrence of the Extraordinary Event in accordance with the following provisions (each an "**Adjustment**"). The Issuer shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether an Extraordinary Event has occurred and whether such Extraordinary Event has a material effect on the Index or the level of the Index.

- (a) An Adjustment may result in:
- (i) the replacement of the Index by another index (a "**Replacement**"),
- and/or
- (ii) increases or decreases of specified variables and values or the amounts payable under the Certificates taking into account:
    - (aa) the effect of an Extraordinary Event on the level of the Index;
    - (bb) the diluting or concentrative effect of an Extraordinary Event on the theoretical value of the Index; or
    - (cc) any cash compensation or other compensation in connection with a Replacement;
- and/or
- (iii) consequential amendments to the Terms and Conditions that are required to fully reflect the consequences of the Replacement.
- (b) Any reference made to the Index in these Terms and Conditions shall, if the context so admits, then refer to the replacement index. All related definitions shall be deemed to be amended accordingly.
- (c) Adjustments shall take effect as from the date (the "**Cut-off Date**") determined by the Issuer in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB).
- (d) Adjustments as well as their Cut-off Date shall be notified by the Issuer in accordance with § 14.
- (e) Any Adjustment in accordance with this § 7 does not preclude a subsequent termination in accordance with § 8 on the basis of the same event.

## § 8 EXTRAORDINARY TERMINATION RIGHTS OF THE ISSUER

1. Upon the occurrence of an Extraordinary Event, the Issuer may freely elect to terminate the Certificates prematurely instead of making an Adjustment. In the case that an Adjustment would not be sufficient to preserve the economic profile that the Certificates had prior to the occurrence of the Extraordinary Event, the Issuer shall terminate the Certificates prematurely; the Issuer shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether this is the case.
2. If the Issuer and/or its Affiliates are, even following economically reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedging Transactions or (ii) to realize, regain or transfer the proceeds resulting from such Hedging Transactions (the "**Hedging Disruption**"), the Issuer may freely elect to terminate the



Certificates prematurely. The Issuer shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether a Hedging Disruption has occurred.

The Issuer may also freely elect to terminate the Certificates prematurely if (i) due to the adoption of or any change in any applicable law or regulation (including any tax law) or (ii) due to the promulgation of or any change in the interpretation by any competent court, tribunal or regulatory authority (including any tax authority) that (A) it has become illegal to hold, acquire or dispose of any index component or (B) it will incur materially increased costs in performing the Issuer's obligation under the Certificates (including due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) (the "**Change in Law**"). The Issuer shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether a Change in Law has occurred.

3. Any extraordinary termination of the Certificates shall be notified by the Issuer in accordance with § 14 within fourteen Payment Business Days following the occurrence of the relevant event (the "**Extraordinary Termination Notice**"). The Extraordinary Termination Notice shall designate a Payment Business Day as per which the extraordinary termination shall become effective (the "**Extraordinary Termination Date**") in accordance with the following provisions. Such Extraordinary Termination Date shall be not later than seven Payment Business Days following the publication of the Extraordinary Termination Notice.
4. If the Certificates are called for redemption, they shall be redeemed at an amount per Certificate that is equivalent to their fair market value minus any expenses actually incurred by the Issuer under transactions that were required for winding up the Hedging Transactions (the "**Extraordinary Termination Amount**"). The Issuer shall calculate the Extraordinary Termination Amount in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) by taking into account prevailing market conditions and any proceeds realised by the Issuer and/or any of its affiliates (within the meaning of § 290 paragraph 2 German Commercial Code (*HGB*), the "**Affiliates**") in connection with transactions or investments concluded by it in its reasonable commercial discretion (*vernünftiges kaufmännisches Ermessen*) for hedging purposes in relation to the assumption and fulfilment of its obligations under the Certificates (the "**Hedging Transactions**").
5. The Issuer shall pay the Extraordinary Termination Amount to the Certificateholders not later than on the tenth Payment Business Day following the Extraordinary Termination Date.

## § 9

### FURTHER ISSUES OF CERTIFICATES; REPURCHASE OF CERTIFICATES

1. The Issuer reserves the right to issue from time to time without the consent of the Certificateholders additional tranches of Certificates with substantially identical terms, so that the same shall be consolidated to form a single series and increase the total volume of the Certificates. The term "Certificates" shall, in the event of such consolidation, also comprise such additionally issued 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 or resold.

## § 10

### TAXES

Payments in respect of the Certificates shall only be made after (i) deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected (the "**Taxes**") under any applicable system of law or in any country which claims fiscal jurisdiction by or for the account of any political subdivision thereof or government agency therein authorised to levy Taxes, to the extent that such deduction or withholding is required by law and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections

1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. The Issuer shall report on the deducted or withheld Taxes to the competent government agencies.

## § 11 STATUS

The obligations under the Certificates constitute direct, unconditional and unsecured (*nicht dinglich besichert*) 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).

## § 12 PAYING AGENT

1. Skandinaviska Enskilda Banken AB (publ), a banking institution incorporated under the laws of Sweden, whose corporate seat and registered office is at Kungsträdgårdsgatan 8, SE-106 40 Stockholm, Sweden, acting through its division SEB Merchant Banking, shall be the paying agent (the "**Paying Agent**").
2. The Issuer shall be entitled at any time to appoint another bank of international standing as Paying Agent. Such appointment and the effective date shall be notified in accordance with § 14.
3. The Paying Agent is hereby granted exemption from the restrictions of § 181 BGB and any similar restrictions of the applicable laws of any other country.

## § 13 SUBSTITUTION OF THE ISSUER

1. Any other company may assume at any time during the lifetime of the Certificates, subject to paragraph 2, without the Certificateholders' consent all the obligations of the Issuer under these Terms and Conditions. Any such substitution and the effective date shall be notified by the Issuer in accordance with § 14.

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 § 13, each previous New Issuer) shall be released from its obligations hereunder and from its liability as obligor under the Certificates.

In the event of such substitution, any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the New Issuer.

2. No such assumption shall be permitted unless
  - (a) the New Issuer has agreed to assume all obligations of the Issuer under the Certificates pursuant to these Terms and Conditions;
  - (b) 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;
  - (c) 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 obligations under the Certificates pursuant to these Terms and Conditions;

- (d) 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;
  - (e) Euroclear Sweden has given its consent to the substitution (which consent shall not be unreasonably withheld or delayed).
3. Upon any substitution of the Issuer for a New Issuer, this § 13 shall apply again.

#### **§ 14 NOTICES**

Notices relating to the Certificates shall be published on the website <https://fim.commerzbank.com> (or on another website notified at least six weeks in advance by the Issuer in accordance with this section) and become effective vis-à-vis the Certificateholders through such publication unless the notice provides for a later effective date. If applicable law or regulations of the stock exchange on which the Certificates are listed require a notification in another manner, notices shall also be given in the manner so required.

Other publications with regard to the Certificates are published on the website of the Issuer [www.commerzbank.com](http://www.commerzbank.com) (or any successor website).

#### **§ 15 LIMITATION OF LIABILITY; PRESENTATION PERIODS; PRESCRIPTION**

1. The Issuer shall be held responsible for acting or failing to act in connection with the Certificates only if, and insofar as, it either breaches material obligations under or in connection with the Terms and Conditions negligently or wilfully or breaches other obligations with gross negligence or wilfully. The same applies to the Paying Agent.
2. The period for presentation of the Certificates (§ 801 paragraph 1, sentence 1 BGB) shall be ten years and the period of limitation for claims under the Certificates presented during the period for presentation shall be two years calculated from the expiry of the relevant presentation period.

#### **§ 16 FINAL CLAUSES**

1. The Certificates and the rights and duties of the Certificateholders, the Issuer, the Paying Agent and the Guarantor (if any) shall in all respects be governed by the laws of the Federal Republic of Germany except, as the case may be, § 1 paragraph 1 - 3 of the Terms and Conditions which shall be governed by the laws of the relevant jurisdiction of the Clearing System.
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 § 14. Following such rescission by the Issuer, the Certificateholders may instruct the account holding bank to submit a duly completed redemption notice to the Paying Agent, either by filling in the relevant form available from the Paying Agent or by otherwise stating all information and declarations required on the form (the "**Rescission Redemption Notice**"), and to request repayment of the Issue Price against transfer of the Certificates to the account of the Paying Agent with the Clearing System. The Issuer shall make available the Issue Price to the Paying Agent within 30 calendar days following receipt of the Rescission Redemption Notice and of the

Certificates by the Paying Agent, whichever receipt is later, whereupon the Paying Agent shall transfer the Issue Price to the account specified in the Rescission 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 § 14. 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 § 14 by delivery of a duly completed Rescission Redemption Notice via the account holding bank to the Paying Agent and by transfer of the Certificates to the account of the 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 paragraph 2 and 3 shall be deemed to be the higher of (i) the purchase price that was actually paid by the relevant Certificateholder (as declared and proved by evidence in the request for repayment) and (ii) the weighted average (as determined by the Issuer in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) of the traded prices of the Certificates on the Payment Business Day preceding the declaration of rescission pursuant to paragraph 2. If a Suspension of the Calculation of the Index exists on the Payment Business Day preceding the declaration of rescission pursuant to paragraph 2, the last Payment Business Day preceding the declaration of rescission pursuant to paragraph 2 on which no Suspension of the Calculation of the Index existed shall be decisive for the ascertainment of price pursuant to the preceding sentence.
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 (*billiges Ermessen*) (§ 315 BGB). 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 § 14.
6. If a 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, such Certificateholder 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 - 5 above.
8. Place of performance is Frankfurt am Main.
9. Place of jurisdiction 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.

**ADDITIONAL INFORMATION**

**Country(ies) where the offer takes place (Non-exempt offer):**

- not applicable -

**Admission to listing and trading on a regulated market or equivalent market, including country(ies) where admission to trading on the regulated market(s) is being sought:**

- not applicable –

The Certificates are not intended to be traded on any regulated market.

However, the Issuer intends to list the Certificates on Nordic MTF Stockholm, which is not a regulated market for the purposes of directive 2004/39/EC, with effect from 12 January 2018.

**Additional Provisions:**

**Limitation of Euroclear Sweden's liability**

Euroclear Sweden shall not be held responsible for any loss or damage resulting from any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts shall also apply if Euroclear Sweden itself takes such measures or becomes the subject of such measures. Under no circumstances shall Euroclear Sweden be liable to pay compensation for any loss, damage, liability, cost, claim, action or demand unless Euroclear Sweden has been negligent, or guilty of bad faith, or has breached the terms of any agency agreement, nor shall under no circumstances Euroclear Sweden be liable for loss of profit, indirect loss or damage or consequential loss or damage, unless such liability of Euroclear Sweden is prescribed pursuant to the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479)*). Where Euroclear Sweden, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest.

## SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. There may be gaps in the numbering sequence of the Elements in cases where Elements are not required to be addressed.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'Not applicable'.

### Section A - Introduction and Warnings

| Element | Description of Element                      | Disclosure requirement   |
|---------|---|--|
| A.1     | <b>Warnings</b>                             | <p>This summary should be read as an introduction to the base prospectus (the "<b>Base Prospectus</b>") and the relevant final terms (the "<b>Final Terms</b>") containing the relevant terms and conditions (the "<b>Terms and Conditions</b>") Investors should base any decision to invest in the securities issued under this Base Prospectus (the "<b>Structured Index Certificates</b>" or "<b>Certificates</b>") in consideration of the Base Prospectus as a whole and the Final Terms.</p> <p>Where a claim relating to information contained in the Base Prospectus is brought before a court in a member state of the European Economic Area, the plaintiff investor may, under the national legislation of such member state, be required to bear the costs for the translation of the Base Prospectus and the Final Terms before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons, who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, all necessary key information.</p> |
| A.2     | <b>Consent to the use of the Prospectus</b> | <p>The Issuer hereby grants consent to use the Base Prospectus and the Final Terms for the subsequent resale or final placement of the Certificates by any financial intermediary.</p> <p>The offer period within which subsequent resale or final placement of Certificates by financial intermediaries can be made, is valid only as long as the Base Prospectus and the Final Terms are valid in accordance with Article 9 of the Prospectus Directive as implemented in the relevant Member State and in the period from 15 November 2017 until 15 December 2017.</p> <p>The consent to use the Base Prospectus and the Final Terms is granted only in relation to the following Member State(s): the Kingdom of Sweden.</p> <p>The consent to use this Base Prospectus including any supplements as well as any corresponding Final Terms is subject to the condition that (i) this Base Prospectus and the Final Terms are delivered to</p>  |

potential investors only together with any supplements published before such delivery and (ii) when using this Base Prospectus and the Final Terms, each financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

**In the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time of that offer.**

## Section B - Issuer

| Element | Description of Element  | Disclosure requirement   |
|---------|---|--|
| B.1     | <b>Legal and Commercial Name of the Issuer</b>  | The legal name of the Bank is COMMERZBANK Aktiengesellschaft (the "Issuer", the "Bank" or "COMMERZBANK", together with its consolidated subsidiaries "COMMERZBANK Group" or the "Group") and the commercial name of the Bank is COMMERZBANK.   |
| B.2     | <b>Domicile / Legal Form / Legislation / Country of Incorporation</b>                 | The Bank's registered office is in Frankfurt am Main, Federal Republic of Germany.<br><br>COMMERZBANK is a stock corporation established and operating under German law and incorporated in the Federal Republic of Germany.   |
| B.4b    | <b>Known trends affecting the Issuer and the industries in which it operates</b>      | The global financial market crisis and sovereign debt crisis in the eurozone in particular have put a very significant strain on the net assets, financial position and results of operations of the Group in the past, and it can be assumed that further materially adverse effects for the Group can also result in the future, in particular in the event of a renewed escalation of the crisis. |
| B.5     | <b>Organisational Structure</b>   | COMMERZBANK is the parent company of COMMERZBANK Group. COMMERZBANK Group holds directly and indirectly equity participations in various companies.  |
| B.9     | <b>Profit forecasts or estimates</b>  | - not applicable -<br><br>The Issuer currently does not make profit forecasts or estimates.  |
| B.10    | <b>Qualifications in the auditors' report on the historical financial information</b> | - not applicable -<br><br>Unqualified auditors' reports have been issued on the annual financial statements and management report for the 2016 financial year as well as on the consolidated financial statements and management reports for the 2015 and 2016 financial years.  |
| B.12    | <b>Selected key financial information</b>   | The following table sets forth selected key financial information of COMMERZBANK Group which has been derived from the respective audited consolidated financial statements prepared in accordance with IFRS as of 31 December 2015 and 2016 as well as from the consolidated interim financial statements as of 30 June 2017 (reviewed):  |

| <i>Balance Sheet (€m)</i> | <u>31 December 2015<sup>*)</sup></u> | <u>31 December 2016</u> | <u>30 June 2017</u> |
|---------------------------|--------------------------------------|-------------------------|---------------------|
| Total assets .....        | 532,701                              | 480,450                 | 487,260             |
| Equity .....              | 30,125                               | 29,640 <sup>**)</sup>   | 29,375              |

| <i>Income Statement (€m)</i>                       | <u>January – December 2015<sup>*)</sup></u> |             | <u>January – June 2016<sup>**)</sup></u> |             |
|--|---|-------------|--|-------------|
|  | <u>2015</u>                                 | <u>2016</u> | <u>2016<sup>**)</sup></u>                | <u>2017</u> |
| Pre-tax profit or loss .....                       | 1,828                                       | 643         | 593                                      | -292        |
| Consolidated profit or loss <sup>****)</sup> ..... | 1,084                                       | 279         | 384                                      | -406        |

\*) Figures in 2015 restated due to a change in reporting plus other restatements.

\*\*\*) Equity as of 31 December 2016 was retrospectively adjusted due to restatements and is



reported at EUR 29,587 million in the unaudited consolidated interim financial statements as of 31 March 2017.

\*\*\*) Figures in 2016 adjusted due to restatements.

\*\*\*\*) Insofar as attributable to COMMERZBANK shareholders.

There has been no material adverse change in the prospects of COMMERZBANK Group since 31 December 2016.

There has been no significant change in the financial position of COMMERZBANK Group since 30 June 2017.

|             |   |   |
|-------------|---|---|
| <b>B.13</b> | <b>Recent events which are to a material extent relevant to the Issuer's solvency</b> | <p>- not applicable -</p> <p>There are no recent events particular to the Issuer which is to a material extent relevant to the evaluation of the Issuer's solvency.</p>   |
| <b>B.14</b> | <b>Dependence of the Issuer upon other entities within the group</b>                  | <p>- not applicable -</p> <p>As stated under element B.5, COMMERZBANK is the parent company of COMMERZBANK Group and is not dependent upon other entities within COMMERZBANK Group.</p>   |
| <b>B.15</b> | <b>Issuer's principal activities</b>  | <p>The focus of the activities of the COMMERZBANK Group is on the provision of a wide range of financial services to private, small and medium-sized corporate and institutional customers in Germany, including account administration, payment transactions, lending, savings and investment products, securities services, and capital markets and investment banking products and services. As part of its comprehensive financial services strategy, the Group also offers other financial services in association with cooperation partners, particularly building savings loans, asset management and insurance. The Group is continuing to expand its position as one of the most important German export financiers. Alongside its business in Germany, the Group is also active internationally through its subsidiaries, branches and investments, particularly in Europe. The focus of its international activities lies in Poland and on the goal of providing comprehensive services to German small and medium-sized enterprises in Western Europe, Central and Eastern Europe and Asia.</p> <p>The COMMERZBANK Group is currently divided into three operating segments – Private and Small Business Customers, Corporate Clients and Asset &amp; Capital Recovery (ACR) - as well as in the Others and Consolidation division.</p> |
| <b>B.16</b> | <b>Controlling parties</b>  | <p>- not applicable -</p> <p>COMMERZBANK has not submitted its management to any other company or person, for example on the basis of a domination agreement, nor is it controlled by any other company or any other person within the meaning of the German Securities Acquisition and Takeover Act (<i>Wertpapiererwerbs- und Übernahmegesetz</i>).</p>   |

## Section C - Securities

| Element | Description of Element   | Disclosure requirement  |
|---------|--|---|
| C.1     | <b>Type and class of the securities / Security identification number</b>                                       | <p><u>Type/Form of securities</u></p> <p>Structured Index Certificates relating to the VAL Carnegie Corporate Bond ER 2 Index (the "<b>Certificates</b>")</p> <p>The Certificates are issued in registered dematerialised form.</p> <p><u>Security Identification number(s) of securities</u></p> <p>WKN CZ443J<br/>ISIN DE000CZ443J1</p>   |
| C.2     | <b>Currency of the securities</b>  | The Certificates are issued in Swedish Kronor (" <b>SEK</b> ").   |
| C.5     | <b>Restrictions on the free transferability of the securities</b>  | <p>Not applicable</p> <p>The Certificates are freely transferable, subject to the offering and selling restrictions, the applicable law and the rules and regulations of the Clearing System.</p>   |
| C.8     | <b>Rights attached to the securities (including ranking of the securities and limitations to those rights)</b> | <p><u>Governing law of the securities</u></p> <p>The Certificates are governed by, and construed in accordance with German law. The constituting of the Certificates is governed by the laws of Sweden.</p> <p><u>Rights attached to the securities</u></p> <p><i>Repayment</i></p> <p>The holder of the Certificates will receive on the Maturity Date the Redemption Amount.</p> <p><i>Adjustments and early redemption</i></p> <p>Subject to particular circumstances, the Issuer may be entitled to perform certain adjustments. Apart from this, the Issuer may be entitled to terminate the Certificates prematurely if a particular event occurs.</p> <p><u>Ranking of the securities</u></p> <p>The obligations under the Certificates constitute direct, unconditional and unsecured (<i>nicht dinglich besichert</i>) obligations of the Issuer and, unless otherwise provided by applicable law, rank at least pari passu with all other unsubordinated and unsecured (<i>nicht dinglich besichert</i>) obligations of the Issuer.</p> <p><u>Limitation of Liability</u></p> <p>The Issuer shall be held responsible for acting or failing to act in connection with Certificates only if, and insofar as, it either breaches material obligations under the Certificates negligently or wilfully or</p> |

breaches other obligations with gross negligence or wilfully.

#### Presentation Periods and Prescription

The period for presentation of the Certificates (§ 801 paragraph 1, sentence 1 German Civil Code (*Bürgerliches Gesetzbuch*) ("**BGB**")) shall be ten years and the period of limitation for claims under the Certificates presented during the period for presentation shall be two years calculated from the expiry of the relevant presentation period.

|             |  |   |
|-------------|--|---|
| <b>C.11</b> | <b>Admission to listing and trading on a regulated market or equivalent market</b> | <p>Not applicable</p> <p>The Certificates are not intended to be traded on any regulated market.</p>  |
| <b>C.15</b> | <b>Influence of the Underlying on the value of the securities:</b>                 | <p>The redemption of the Certificates on the Maturity Date depends on the performance of the Underlying and the relevant Conversion Rate, if any.</p> <p><u>In detail:</u></p> $RA = EA \times PF \times \text{Max}(V \times L; UP - X)$ <p>The Redemption Amount (RA) per Certificate will be equal to the product of the Exposure Amount (EA), the Participation Factor (PF) and the higher of (i) the Lock in Value (V) multiplied by the Lock in Level (L) or (ii) the Underlying Performance (UP) minus the pre-determined number X.</p> |
| <b>C.16</b> | <b>Averaging Dates</b>   | Not applicable  |
|             | <b>Maturity Date</b>   | 16 January 2023   |
|             | <b>Valuation Date</b>  | 29 December 2022  |
| <b>C.17</b> | <b>Description of the settlement procedure for the securities</b>                  | The Certificates sold will be delivered on the Payment Date in accordance with applicable local market practice via the Clearing System.  |
| <b>C.18</b> | <b>Delivery procedure (clearing on the maturity date)</b>                          | All amounts payable shall be paid to the Paying Agent for transfer to the Clearing System or pursuant to the Clearing System's instruction for credit to the relevant accountholder on the dates stated in the Terms and Conditions. Payment to the Clearing System or pursuant to the Clearing System's instruction shall release the Issuer from its payment obligations under the Certificates in the amount of such payment.  |
| <b>C.19</b> | <b>Final reference price of the Underlying</b>                                     | The Index Level as determined and published by the Index Sponsor on the Valuation Date.   |

**C.20**      **Type of the Underlying and details, where information on the Underlying can be obtained**

Type of the Underlying

The asset underlying the Certificates is an index.

Information

Information on the Index can be obtained from the internet page of the Index Sponsor: <https://emcideas.commerzbank.com/retail> and on the Bloomberg ticker: CBK11653 Index.

## Section D - Risks

The purchase of Certificates is associated with certain risks. **The Issuer expressly points out that the description of the risks associated with an investment in the Certificates describes only the major risks which were known to the Issuer at the date of the Base Prospectus.**

| Element | Description of Element                  | Disclosure requirement  |
|---------|---|---|
| D.2     | <b>Key risks specific to the issuer</b> | The Certificates entail an issuer risk, also referred to as debtor risk or credit risk for prospective investors. An issuer risk is the risk that COMMERZBANK becomes temporarily or permanently unable to meet its obligations to pay the redemption amount or any other payments to be made under the Certificates. |

Furthermore, COMMERZBANK is subject to various risks within its business activities. Such risks comprise in particular the following types of risks:

### Global Financial Market Crisis and Sovereign Debt Crisis

The global financial crisis and sovereign debt crisis, particularly in the eurozone, have had a significant material adverse effect on the Group's net assets, financial position and results of operations. The Group may suffer further material adverse effects in the future, particularly in the event of a renewed escalation of the crisis. Any further escalation of the crisis within the European Monetary Union may have material adverse effects on the Group, which, under certain circumstances, may even threaten the Group's existence. The Group holds substantial volumes of sovereign debt. Impairments and revaluations of such sovereign debt to lower fair values have had material adverse effects on the Group's net assets, financial position and results of operations in the past, and may have further adverse effects in the future.

### Macroeconomic Environment

The macroeconomic environment prevailing over the past few years has negatively affected the Group's results, and the Group's heavy dependence on the economic environment, particularly in Germany, may result in further substantial negative effects in the event of any renewed economic downturn.

### Counterparty Default Risk

The Group is exposed to default risk (credit risk), including in respect of large individual commitments, large loans and commitments, concentrated in individual sectors, referred to as "bulk" risk, as well as loans to debtors that may be particularly affected by the sovereign debt crisis. The run-down of the ship finance portfolio and the Commercial Real Estate finance portfolio is exposed to considerable risks in view of the current difficult market environment and the volatility of ship prices and real estate prices and the default risk (credit risk) affected thereby, as well as the risk of substantial changes in the value of ships held as collateral, directly owned, directly owned real estate and private and commercial real estate held as collateral. The Group has a substantial number of non-performing loans in its portfolio and defaults may not be sufficiently covered by collateral or by write-downs and provisions previously taken.

### Market Price Risks

The Group is exposed to market price risks in the valuation of equities and investment fund units as well as in the form of interest rate risks, credit spread risks, currency risks, volatility and correlation risks, commodity price risks.

### Strategic Risks

There is a risk that the Group may not benefit from its strategy, or may be able to do so only in part or at higher costs than planned, and that the implementation of planned measures may not lead to the achievement of the strategic objectives sought to be obtained.

### Risks from the Competitive Environment

The markets in which the Group is active, particularly the German market (and, in particular, the private and corporate customer business and investment banking activities) and the Polish market, are characterized by intense competition on price and on transaction terms, which results in considerable pressure on margins.

### Liquidity Risks

The Group is dependent on the regular supply of liquidity and a market-wide or company-specific liquidity shortage can have material adverse effects on the Group's net assets, financial position and results of operations.

### Operational Risks

The Group is exposed to a large number of operational risks including the risk that employees will enter into excessive risks on behalf of the Group or will violate compliance-relevant regulations while conducting business activities and thereby cause considerable losses to appear suddenly, which may also lead indirectly to an increase in regulatory capital requirements.

### Risks from Goodwill Write-Downs

It is possible that the goodwill reported in the Group's consolidated financial statements and brand names will have to be fully or partly written down as a result of impairment tests.

### Risks from Bank-Specific Regulation

Ever stricter regulatory capital and liquidity standards and procedural and reporting requirements may call into question the business model of a number of the Group's activities, adversely affect the Group's competitive position, reduce the Group's profitability, or make the raising of additional equity capital necessary. Other regulatory reforms proposed in the wake of the financial crisis, for example, requirements such as the bank levy, a possible financial transaction tax, the separation of the deposit-taking business from proprietary trading, proprietary transactions and credit and guarantee transactions with certain leveraged funds, or stricter disclosure and organizational obligations may materially influence the Group's business model and competitive environment.

Legal Risks

Legal disputes may arise in connection with COMMERZBANK's business activities, the outcomes of which are uncertain and which entail risks for the Group. For example, claims for damages on the grounds of flawed investment advice have led to substantial liabilities for the Group and may also lead to further substantial liabilities for the Group in the future. Payments and restoration of value claims have been asserted against COMMERZBANK and its subsidiaries, in some cases also in court, in connection with profit participation certificates and trust preferred securities they have issued. The outcome of such proceedings may have material adverse effects on the Group that go beyond the claims asserted in each case. Regulatory, supervisory and judicial proceedings may have a material adverse effect on the Group. Proceedings brought by regulators, supervisory authorities and prosecutors may have material adverse effects on the Group.

**D.6 Key information on the key risks that are specific to the securities**

No secondary market immediately prior to final maturity

The market maker and/or the exchange will cease trading in the Certificates shortly before their scheduled Maturity Date. However, between the last trading day and the Valuation Date, the price of the Underlying and/or the exchange rate, both of which may be relevant for the Certificates may still change and any kind of barrier or price which may be relevant for the payments under the Certificates could be reached, exceeded or breached in another way for the first time. This may be to the investor's disadvantage.

Securities are unsecured obligations (Status)

The Certificates constitute unconditional obligations of the Issuer. They 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 (*Einlagensicherungs- und Anleger-entschädigungsgesetz*). This means that the investor bears the risk that the Issuer cannot or only partially fulfil the attainments due under the Certificates. Under these circumstances, a total loss of the investor's capital might be possible.

Conflicts of interest

COMMERZBANK Aktiengesellschaft acts as Issuer of the Certificates as well as Index Calculation Agent and Index Sponsor. Therefore, COMMERZBANK Aktiengesellschaft may be subject to certain conflicts of interest in performing these various functions.

The proposed financial transactions tax (FTT)

The European Commission has proposed a common financial transactions tax (FTT) to be implemented in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate. The proposed financial transactions tax could apply to certain dealings in the Certificates (including secondary market transactions) in certain circumstances. However, the financial transactions tax is still subject to negotiation between the participating EU Member States. Additional EU Member States may

decide to participate. Furthermore, it is currently uncertain when the financial transactions tax will be enacted and when the tax will enter into force with regard to dealings with the Certificates.

Risks in connection with the Act on the Recovery and Resolution of Institutions and Financial Groups, with the EU Regulation establishing a Single Resolution Mechanism, and with the proposal for a new EU regulation on the mandatory separation of certain banking activities

In the case that the Issuer becomes, or is deemed by the competent supervisory authority to have become, "non-viable" (as defined under the then applicable law) and unable to continue its regulated activities, the terms of the Securities may be varied (e.g. the variation of their maturity), and claims for payment of principal, interest or other amounts under the Securities may become subject to a conversion into one or more instruments that constitute common equity tier 1 capital for the Issuer, such as ordinary shares, or a permanent reduction, including to zero, by intervention of the competent resolution authority ("**Regulatory Bail-in**").

Further, the EU Regulation establishing a Single Resolution Mechanism ("**SRM Regulation**") contains provisions relating to resolution planning, early intervention, resolution actions and resolution instruments. This framework will ensure that, instead of national resolution authorities, there will be a single authority – i.e. the Single Resolution Board – which will take all relevant decisions for banks being part of the Banking Union.

The proposal for a mandatory separation of certain banking activities adopted by the European Commission on 29 January 2014 prohibits proprietary trading and provides for the mandatory separation of trading and investment banking activities. Should a mandatory separation be imposed, additional costs cannot be ruled out, in terms of higher funding costs, additional capital requirements and operational costs due to the separation, lack of diversification benefits.

U.S. Foreign Account Tax Compliance Act Withholding

The Issuer may be required to withhold tax at a rate of 30% on all, or a portion of, payments made in respect of (i) Certificates issued or materially modified after the date that is six months after the date on which the final regulations applicable to "foreign passthru payments" are filed in the Federal Register, (ii) Certificates issued or materially modified after the date that is six months after the date on which obligations of their type are first treated as giving rise to dividend equivalents, or (iii) Certificates treated as equity for U.S. federal tax purposes, whenever issued, pursuant to certain provisions commonly referred to as the "Foreign Account Tax Compliance Act".

U.S. Hiring Incentives to Restore Employment Act Withholding

The Issuer or any withholding agent may be required to withhold tax at a rate of up to 30% on U.S. "dividend equivalent amounts" that are paid or "deemed paid" under certain financial instruments issued after 31 December 2016, if certain conditions are met.



### Impact of a downgrading of the credit rating

The value of the Certificates could be affected by the ratings given to the Issuer by rating agencies. Any downgrading of the Issuer's rating by even one of these rating agencies could result in a reduction in the value of the Certificates.

### Adjustments and Extraordinary Termination

The Issuer shall be entitled to perform adjustments or to terminate and redeem the Certificates prematurely if certain conditions are met. This may have a negative effect on the value of the Certificates. If the Certificates are terminated, the amount payable to the holders of the Certificates in the event of the extraordinary termination of the Certificates may be lower than the amount the holders of the Certificates would have received without such extraordinary termination.

### Disruption events

The Issuer is entitled to determine market disruption events or other events that might result in a postponement of a calculation and/or of any attainments under the Certificates and that might affect the value of the Certificates. In addition, in certain cases stipulated, the Issuer may estimate certain prices that are relevant with regard to attainments or the reaching of barriers. These estimates may deviate from their actual value.

### Substitution of the Issuer

If the conditions set out in the Terms and Conditions are met, the Issuer is entitled at any time, without the consent of the holders of the Certificates, to appoint another company as the new Issuer with regard to all obligations arising out of or in connection with the Certificates in its place. In that case, the holder of the Certificates will generally also assume the insolvency risk with regard to the new Issuer.

### Risk factors relating to the Underlying

The Certificates depend on the value of the Underlying and the risk associated with this Underlying. The value of the Underlying depends upon a number of factors that may be interconnected. These may include economic, financial and political events beyond the Issuer's control. The past performance of an Underlying should not be regarded as an indicator of its future performance during the term of the Certificates.

### Risk at maturity:

The redemption of the Certificates on the Maturity Date depends on the performance of the Underlying. If applicable, the Redemption Amount of the Certificates does not only depend on the performance of the Underlying but also on the performance of the relevant Conversion Rate.

A Redemption Amount will only be paid in the case that the higher of (i) the Lock in Value multiplied by the Lock in Level or (ii) the Underlying Performance minus the pre-determined number X is above 0 (zero). If the higher of (i) the Lock in Value multiplied by the

Lock in Level or (ii) the Underlying Performance minus the pre-determined number X is equal to or below 0 (zero), there will be no Redemption Amount payable at all. **In such case, the investor will lose the total amount of the invested capital.**

Risks if the investor intends to sell or must sell the Certificates during their term:

*Market value risk:*

The achievable sale price could be significantly lower than the purchase price paid by the investor.

The market value of the Certificates mainly depends on the performance of the Underlying. In particular, the following factors may have an adverse effect on the market price of the Certificates:

- Changes in the expected intensity of the fluctuation of the Underlying (volatility)
- Remaining term of the Certificates
- Interest rate development
- Developments of dividends or distributions in the index components included in the Index

Each of these factors could have an effect on its own or reinforce or cancel another.

*Trading risk:*

The Issuer is not obliged to provide purchase and sale prices for the Certificates on a continuous basis on (i) the exchanges on which the Certificates may be listed or (ii) an over the counter (OTC) basis nor to buy back any Certificates. Even if the Issuer generally provides purchase and sale prices, in the event of extraordinary market conditions or technical troubles, the sale or purchase of the Certificates could be temporarily limited or impossible.

## Section E - Offer and Sale

| Element | Description of Element   | Disclosure requirement  |
|---------|--|---|
| E.2b    | <b>Reason for the offer and use of proceeds when different from making profit and/or hedging certain risks</b> | <p>Not applicable</p> <p>Profit motivation.</p>   |
| E.3     | <b>Description of the terms and conditions of the offer</b>  | <p>COMMERZBANK offers during the subscription period from 15 November 2017 until 15 December 2017 2,000 Certificates at an initial issue price of SEK 10,000 per Certificate (including a distribution fee of up to 0.9% p.a.).</p> <p>The Issuer is entitled to (i) close the subscription period prematurely, (ii) extend the subscription period or (iii) cancel the offer. After expiry of the subscription period, the Certificates continue to be offered by the Issuer. The offer price will be determined continuously.</p>   |
| E.4     | <b>Any interest that is material to the issue/offer including conflicting interests</b>                        | <p>The following conflicts of interest can arise in connection with the exercise of rights and/or obligations of the Issuer in accordance with the Terms and Conditions of the Certificates (e.g. in connection with the determination or adaptation of parameters of the terms and conditions), which affect the amounts payable:</p> <ul style="list-style-type: none"> <li>- issuance of additional derivative instruments with regard to the Underlying</li> <li>- execution of transactions in the Underlying and/or one or more components of the Underlying</li> <li>- acting in its capacity as Index Sponsor and Index Calculation Agent in respect of the Underlying.</li> <li>- business relationship with the issuer of one or more components of the Underlying</li> <li>- possession of material (including non-public) information about the Underlying and/or one or more components of the Underlying</li> <li>- acting as Market Maker</li> </ul> |
| E.7     | <b>Estimated expenses charged to the investor by the issuer or the offeror</b>                                 | <p>The investor can usually purchase the Certificates at a fixed issue price. This fixed issue price contains all cost of the Issuer relating to the issuance and the sales of the Certificates (e.g. cost of distribution, structuring and hedging as well as the profit margin of COMMERZBANK).</p>   |

## SAMMANFATTNING

Sammanfattningar består av de upplysningskrav som kallas punkter. Dessa punkter är numrerade i Avsnitten A–E (A.1–E.7).

Den här sammanfattningen innehåller alla punkter som måste ingå i en sammanfattning för den här typen av värdepapper och Emittent. Det kan förekomma luckor i numreringen av punkterna i de fall då punkterna inte behöver anges.

Även om det krävs information om en punkt i sammanfattningen på grund av typen av värdepapper och Emittent kan det hända att relevant information om punkten saknas. I så fall inkluderas en kort beskrivning av punkten i sammanfattningen, tillsammans med angivelsen "Ej tillämplig". Vissa bestämmelser i sammanfattningen anges inom parentes.

### Avsnitt A - Introduktion och varningar

| Punkt | Beskrivning av Punkt                       | Upplysningskrav  |
|-------|--|--|
| A.1   | <b>Varningar</b>                           | <p>Den här sammanfattningen bör betraktas som en introduktion till grundprospektet ("<b>Grundprospektet</b>") och relevanta slutliga villkor (de "<b>Slutliga Villkoren</b>") innehållande de relevanta villkoren ("<b>Villkoren</b>"). Investerarare bör basera sina beslut att investera i värdepapperen som emitteras enligt Grundprospektet ("<b>Strukturerade Indexcertifikat</b>" eller "<b>Certifikat</b>") med beaktande av Grundprospektet i sin helhet och de Slutliga Villkoren.</p> <p>Om ett anspråk gällande informationen i Grundprospektet skulle framställas i en domstol i en medlemsstat i Europeiska ekonomiska samarbetsområdet, EES, kan den investerare som framställer anspråket enligt den nationella lagstiftningen i medlemsstaten själv bli tvungen att svara för kostnaderna för översättningen av detta Grundprospekt och de Slutliga Villkoren innan de rättsliga förfarandena inleds.</p> <p>Civilrättsligt ansvar gäller endast för de personer som lagt fram sammanfattningen, inklusive översättningar därav, men endast om sammanfattningen är vilseledande, felaktig eller oförenlig med övriga delar av Grundprospektet, eller om den inte tillsammans med övriga delar i Grundprospektet ger all nödvändig nyckelinformation.</p> |
| A.2   | <b>Samtycke till att nyttja Prospektet</b> | <p>Emittenten beviljar härmed en finansiell mellanhand rätten att nyttja Grundprospektet och de Slutliga Villkoren för återförsäljning och slutlig placering av Certifikaten.</p> <p>Erbjudandeperioden inom vilken finansiella mellanhänder kan genomföra återförsäljning eller slutlig placering av Certifikaten omfattar endast den tid som Grundprospektet och de Slutliga Villkoren är giltiga i enlighet med artikel 9 i Prospektdirektivet, så som det genomförts i den relevanta Medlemsstaten och under perioden 15 november 2017 till 15 december 2017.</p> <p>Samtycke till att nyttja Grundprospektet och de Slutliga Villkoren gäller endast i följande Medlemsstat(-er): Kungadömet Sverige.</p> <p>Samtycke till att nyttja Grundprospektet inklusive eventuella tillägg samt eventuella motsvarande Slutliga Villkor lämnas förutsatt att (i) Grundprospektet och de Slutliga Villkoren levereras till presumtiva investerare tillsammans med eventuella tillägg som publicerats före sådan leverans och (ii) att finansiella mellanhänder vid användning av</p>   |

Grundprospektet och Slutliga Villkor ser till att samtliga gällande lagar och förordningar som är i kraft i respektive jurisdiktion följs.

**Om ett erbjudande lämnas av en finansiell mellanhand skall den finansiella mellanhanden tillhandahålla information till investerarna om de villkor som gäller för erbjudandet vid den tidpunkten.**

## Avsnitt B - Emittent

| Punkt | Beskrivning av Punkt  | Upplysningskrav  |
|-------|---|--|
| B.1   | Emittentens registrerade firma och handelsbeteckning  | Bankens registrerade firma är COMMERZBANK Aktiengesellschaft ("Emittenten", "Banken" eller "COMMERZBANK", tillsammans med sina dotterföretag "COMMERZBANK-koncernen" eller "Koncernen") och Bankens handelsbeteckning är COMMERZBANK.  |
| B.2   | Emittentens säte, bolagsform, lag under vilken Emittenten bedriver sin verksamhet samt land i vilket Emittenten bildats | Banken har sitt säte i Frankfurt am Main, Förbundsrepubliken Tyskland.<br><br>COMMERZBANK är ett aktiebolag bildat och verksamt under tysk lag och registrerat i Förbundsrepubliken Tyskland.  |
| B.4b  | Kända trender som påverkar Emittenten eller den bransch där Emittenten är verksam                                       | De globala finansmarknadskriserna och statsskuldskriserna i synnerhet i euroområdet har tidigare satt stor press på Koncernens nettotillgångar, finansiella ställning och rörelseresultat och det kan antas att Koncernen även i framtiden kan drabbas av väsentliga negativa effekter, i synnerhet om kriserna åter skulle förvärras. |
| B.5   | Organisationsstruktur   | COMMERZBANK är moderbolag i COMMERZBANK-koncernen. COMMERZBANK-koncernen äger direkt och indirekt aktier i olika företag.  |
| B.9   | Resultatprognoser eller uppskattningar  | Ej tillämplig<br><br>Emittenten gör för närvarande inga resultatprognoser eller uppskattningar.  |
| B.10  | Anmärkningar i revisionsberättelsen om den historiska finansiella informationen   | Ej tillämplig<br><br>Rena revisionsberättelser har lämnats för årsredovisningen och förvaltningsberättelsen för räkenskapsåret 2016 samt för koncernredovisningen och förvaltningsberättelsen för räkenskapsåren 2015 och 2016.  |
| B.12  | Utvald finansiell information   | Nedanstående tabell anger utvald finansiell information avseende COMMERZBANK-koncernen som hämtats från de reviderade koncernredovisningarna per den 31 december 2015 och 2016, som upprättats i enlighet med IFRS, samt koncernens delårsrapport per den 30 Juni 2017 (granskad):   |

| <b>Balansräkning (MEUR)</b> | <b>31 december 2015<sup>1)</sup></b> | <b>31 december 2016</b> | <b>30 juni 2017</b> |
|-----------------------------|--------------------------------------|-------------------------|---------------------|
| Summa tillgångar.....       | 532 701                              | 480 450                 | 487 260             |
| Eget kapital.....           | 30 125                               | 29 640**)               | 29 375              |

| <b>Resultaträkning (MEUR)</b> | <b>Januari – december 2015<sup>1)</sup></b> | <b>2016</b> | <b>Januari – juni 2016***)</b> | <b>2017</b> |
|-------------------------------|---|-------------|--------------------------------|-------------|
| Resultat före skatt.....      | 1 828                                       | 643         | 593                            | -292        |

|  |       |     |     |      |
|--|-------|-----|-----|------|
| Koncernens resultat <sup>****)</sup> ..... | 1 084 | 279 | 384 | -406 |
|--|-------|-----|-----|------|

- \*) Siffrorna för 2015 är omräknade i anledning av förändring i rapportering samt andra omräkningar.  
 \*\*) Eget kapital per den 31 december 2016 var retroaktivt justerat i anledningen av omräkningar och uppgår till MEUR 29 587 i koncernens oredviderade delårsrapport per den 31 mars 2017.  
 \*\*\*) Siffrorna för 2016 är justerade i anledning av omräkningar.  
 \*\*\*\*) Såvitt tillräknas COMMERZBANKs aktieägare.

Inga väsentliga negativa förändringar har ägt rum i COMMERZBANK-koncernens framtidsutsikter sedan den 31 december 2016.

Inga betydande förändringar har ägt rum i COMMERZBANK-koncernens finansiella ställning sedan den 30 juni 2017.

- B.13 Nyligen inträffade händelser med väsentlig inverkan på bedömningen av Emittentens solvens** Ej tillämplig  
 Det har inte nyligen inträffat några händelser som är specifika för emittenten i den utsträckning att de har en väsentlig inverkan på bedömningen av Emittentens solvens.
- B.14 Emittentens beroende av andra företag inom koncernen** Ej tillämplig  
 Som anges i punkt B.5 är COMMERZBANK moderbolag i COMMERZBANK-koncernen och oberoende av andra företag inom COMMERZBANK-koncernen.
- B.15 Emittentens huvudsakliga verksamhet** COMMERZBANK-koncernens aktiviteter inriktar sig på att tillhandahålla ett brett utbud av finansiella tjänster till privata små och medelstora företag samt institutionella kunder i Tyskland, vilket även inkluderar kontoadministration, betalningstransaktioner, utlånings-, spar- och investeringsprodukter, värdepapperstjänster samt kapitalmarknads- och investment banking-produkter och -tjänster. Som en del av sin strategi att erbjuda heltäckande finansiella tjänster erbjuder Koncernen också andra finansiella tjänster tillsammans med samarbetspartners, i synnerhet byggspårån, kapitalförvaltning och försäkring. Koncernen fortsätter att utöka sin ställning som en av de viktigaste tyska exportfinansiärerna. Utöver verksamheten i Tyskland är Koncernen även verksam internationellt via dotterbolag, filialer och investeringar, särskilt i Europa. Fokus för dess internationella verksamheter ligger i Polen och har som mål att erbjuda omfattande tjänster till små och medelstora tyska företag i Västeuropa, Central- och Östeuropa samt Asien.  
 COMMERZBANK-koncernen är för närvarande uppdelad i tre rörelsesegment – Privata och Små företagskunder, Affärskunder och Asset & Capital Recovery (ACR) – samt i enheten Övrig verksamhet och Konsolidering.
- B.16 Kontrollerande parter** Ej tillämplig  
 COMMERZBANK står inte under kontroll av något bolag eller någon person, exempelvis på grund av ett kontrollavtal, och kontrolleras inte heller av något annat bolag eller någon annan person i den mening som avses i den tyska lagen om värdepappersförvärv och uppköp (*Wertpapiererwerbs- und Übernahmegesetz*).

## Avsnitt C - Värdepapper

| Punkt | Beskrivning av Punkt  | Upplysningskrav  |
|-------|---|--|
| C.1   | Värdepappers-<br>typ och -<br>klass/ISIN  | <p><u>Värdepapperstyp/-form</u></p> <p>Strukturerade Indexcertifikat som är kopplade till VAL Carnegie Corporate Bond ER 2 Index ("<b>Certifikaten</b>")</p> <p>Certifikaten emitteras i registrerad dematerialiserad form.</p> <p><u>ISIN-kod</u></p> <p>WKN CZ443J<br/>ISIN DE000CZ443J1</p>   |
| C.2   | Valuta  | Certifikaten emitteras i svenska kronor (" <b>SEK</b> ").  |
| C.5   | Inskränkningar i värdepapperens fria överlåtbarhet  | <p>Ej tillämplig</p> <p>Certifikaten är fritt överlåtbara, med beaktande av erbjudandet och försäljningsrestriktioner, tillämplig lag och regelverket för Clearingsystemet.</p>  |
| C.8   | Rättigheter förknippade med värdepapperen (däribland värdepapperens rangordning och begränsningar i de rättigheterna) | <p><u>Gällande lag för värdepapperen</u></p> <p>Certifikaten regleras av och tolkas i enlighet med tysk lag. Upprättandet av Certifikaten regleras av lagarna i Sverige.</p> <p><u>Rättigheter i samband med värdepapperen</u></p> <p><u>Återbetalning</u></p> <p>Innehavaren av Certifikaten kommer att erhålla Inlösenbeloppet på Förfallodagen.</p> <p><i>Justeringar och förtida inlösen</i></p> <p>Under särskilda omständigheter har Emittenten rätt att genomföra vissa justeringar. Utöver detta kan Emittenten ha rätt att säga upp Certifikaten i förtid om en viss händelse inträffar.</p> <p><u>Värdepapperens rangordning</u></p> <p>De förpliktelser som Certifikaten ger upphov till utgör direkta och ovillkorade och ej säkerställda förpliktelser för Emittenten (<i>nicht dinglich besichert</i>) som, såvida inte annat anges i gällande lag, rangordnas minst pari passu med Emittentens andra underordnade och ej säkerställda förpliktelser (<i>nicht dinglich besichert</i>).</p> <p><u>Ansvarsbegränsning</u></p> <p>Emittenten skall vara ansvarig för handlingar eller underlåtenhet att handla i förhållande till Certifikaten endast om, och i den mån, den antingen oaktsamt eller medvetet bryter mot väsentliga förpliktelser under Certifikaten eller grovt oaktsamt eller medvetet bryter mot andra förpliktelser.</p> |



Löptider och Preskription

Löptiden för Certifikaten (§ 801 första stycket första meningen i den tyska civilkoden (Ty: *Bürgerliches Gesetzbuch* ("BGB")) skall vara tio år och preskriptionstiden för fordringar enligt Certifikaten som påkallats under löptiden skall vara två år räknat från utgången av den relevanta löptiden.

- |             |  |  |
|-------------|--|--|
| <b>C.11</b> | <b>Upptagande till handel på en reglerad marknad eller motsvarande marknad</b> | <p>Ej tillämplig</p> <p>Certifikaten avses inte tas upp till handel på någon reglerad marknad.</p>   |
| <b>C.15</b> | <b>Den Underliggande Tillgångens inverkan på värdepapperens värde:</b>         | <p>Inlösen av Certifikaten på Förfallodagen beror på utvecklingen för den Underliggande Tillgången och, om tillämpligt, den relevanta Omräkningskursen.</p> <p><u>I detalj:</u></p> $RA = EA \times PF \times \text{Max}(V \times L; UP - X)$ <p>Inlösenbeloppet (RA) per Certifikat blir produkten av Exponeringsbeloppet (EA), Deltagandefaktorn (PF) och det högre av (i) Inlåsningsvärdet (V) multiplicerat med Inlåsningsnivån (L) eller (ii) den Underliggande Utvecklingen (UP) minus det förutbestämde värdet X.</p> |
| <b>C.16</b> | <b>Genomsnittsdagar</b>  | Ej tillämplig  |
|             | <b>Förfallodag</b>   | 16 januari 2023  |
|             | <b>Värderingsdag</b>   | 29 december 2022   |
| <b>C.17</b> | <b>Beskrivning av förfarandet vid avveckling av värdepapperen</b>              | Sålda Certifikat levereras via Clearingsystemet på Betalningsdagen i enlighet med gällande lokal marknadspraxis.   |
| <b>C.18</b> | <b>Leveransrutin (avräkning på inlösendagen)</b>                               | Alla belopp som ska betalas, ska erläggas till Betalningsagenten för överföring till Clearingsystemet eller i enlighet med Clearingsystemets instruktioner för kreditering till de relevanta kontona på de dagar som anges i Villkoren. Överföring till Clearingsystemet eller i enlighet med Clearingsystemets instruktioner medför att Emmitenten befrias från betalningsansvar enligt Certifikaten till det belopp som motsvarar sådan överföring.  |
| <b>C.19</b> | <b>Slutlig referenskurs på den Underliggande Tillgången</b>                    | Den/det Indexnivån som den/det fastställs och publiceras av Indexsponsorn på Värderingsdagen.  |

|             |   |   |
|-------------|---|---|
| <b>C.20</b> | <b>Typ av Underliggande Tillgång och var information om den Underliggande Tillgången kan inhämtas</b> | <u>Typ av Underliggande Tillgång</u><br>Underliggande Tillgång till Certifikaten är ett index.<br><u>Information</u><br>Information om Indexet kan inhämtas på Indexsponsorns webbsida: <a href="https://emcideas.commerzbank.com/retail">https://emcideas.commerzbank.com/retail</a> och Bloomberg sida: CBKI1653 Index. |
|-------------|---|---|

## Avsnitt D - Risker

Förvärv av Certifikaten är förknippad med vissa risker. **Emittenten upplyser uttryckligen att beskrivningarna av de risker som är förknippad med en investering i Certifikaten enbart beskriver de huvudsakliga risker som var kända för Emittenten vid datumet för Grundprospektet.**

| Punkt | Beskrivning av Punkt  | Upplysningskrav   |
|-------|---|---|
| D.2   | <b>Huvudsakliga risker specifika för Emittenten eller branschen</b> | Certifikaten medför en emittentrisk, även kallad gäldenärsrisk eller kreditrisk, för presumtiva investerare. En emittentrisk är risken för att COMMERZBANK tillfälligt eller permanent blir oförmöget att fullgöra sina skyldigheter att betala inlösenbeloppet eller annat belopp enligt Certifikaten. |

Därutöver är COMMERZBANK utsatt för olika risker i samband med sin affärsverksamhet. Sådana risker omfattar i synnerhet följande typer av risker:

### Globala finansmarknadskriser och statsskuldkriser

Den globala finansmarknadskrisen och statsskuldkrisen, i synnerhet i euroområdet, har haft en betydande väsentligt negativ effekt på Koncernens nettotillgångar, finansiella ställning och rörelseresultat. Koncernen kan komma att drabbas av ytterligare väsentligt negativa effekter i framtiden, i synnerhet om krisen åter skulle förvärras. Skulle krisen inom Europeiska monetära unionen eskalera ytterligare skulle det kunna innebära väsentligt negativa effekter för Koncernen, vilket, under vissa omständigheter även skulle kunna hota Koncernens existens. Koncernen innehar en betydande volym statspapper. Nedskrivningar och omvärderingar av sådana statspapper till ett lägre verkligt värde har tidigare haft väsentligt negativa effekter på Koncernens nettotillgångar, finansiella ställning och rörelseresultat, och kan få ytterligare negativa effekter i framtiden.

### Makroekonomisk miljö

Den makroekonomiska miljö som rått under de senaste åren har påverkat Koncernens resultat negativt och Koncernens kraftiga beroende av det ekonomiska klimatet, i synnerhet i Tyskland, skulle kunna resultera i ytterligare avsevärt negativa effekter i det fall den ekonomiska konjunkturen skulle vända ned igen.

### Motpartsrisk

Koncernen är exponerad för motpartsrisk (kreditrisk), bland annat beträffande stora enskilda lån och åtaganden koncentrerade till enskilda sektorer - så kallad bulkrisk - samt beträffande lån till gäldenärer som kan påverkas särskilt av statsskuldkrisen. Stängningen av fartygfinansieringsportföljen och portföljen för finansiering av kommersiella fastigheter är exponerad mot avsevärda risker i ljuset av den rådande svåra marknadsmiljön och volatiliteten i skepps- och fastighetspriser samt motpartsrisken (kreditrisken) som påverkas därav, liksom risken av betydande förändringar i värdet på fartyg som utgör säkerhet samt direkt ägda fastigheter och privata och kommersiella fastigheter som utgör säkerhet. Koncernen har i sin portfölj ett stort antal nödlidande lån, och det kan hända att utebliven betalning på lån inte är fullt täckt av säkerheter eller av tidigare gjorda nedskrivningar och avsättningar.

### Marknadsprisrisker

Koncernen är utsatt för marknadsprisrisker i värderingen av aktier och andelar i investeringsfonder, samt i form av ränterisker, kreditspridningsrisker, valutarisker, volatilitets- och korrelationsrisker samt råvaruprisrisker.

### Strategiska risker

Det finns en risk för att Koncernen inte kommer att dra nytta av sin strategi eller endast kommer kunna göra det till viss del eller till högre kostnader än planerat, och att genomförandet av de planerade åtgärderna kanske inte kommer att leda till att de eftersträvade strategiska målen uppnås.

### Risker från konkurrensmiljön

De marknader inom vilka Koncernen är aktiv, särskilt den tyska marknaden (och i synnerhet verksamheten riktad mot privat- och företagskunder samt *investment banking*-verksamheten) och den polska marknaden, är karaktäriserade av intensiv konkurrens vad gäller pris och transaktionsvillkor vilket resulterar i avsevärd marginalpress.

### Likviditetsrisker

Koncernen är beroende av regelbunden tillförsel av likviditet och en marknadsomfattande eller företagsspecifik likviditetsbrist kan få väsentliga negativa effekter på Koncernens nettotillgångar, finansiella ställning och rörelseresultat.

### Operationella risker

Koncernen är utsatt för ett stort antal operationella risker, däribland risken för att medarbetarna utsätter Koncernen för omfattande risker på Koncernens bekostnad eller bryter mot lagstiftning relevant för regelefterlevnad under sina affärsaktiviteter och därigenom orsakar en plötslig uppkomst av avsevärda förluster vilka också indirekt skulle kunna leda till en ökning av kapitalkrav genom statlig reglering.

### Risker från goodwillnedskrivningar

Det är möjligt att den goodwill som redovisas i Koncernens balansräkning samt varumärken helt eller delvis måste skrivas ned som ett resultat av nedskrivningstester.

### Risker från bankspecifik lagstiftning

Allt strängare krav avseende kapital och likviditet samt processuella krav och rapporteringskrav kan leda till att affärsmodellen i ett antal av Koncernens verksamheter ifrågasätts och kan få en negativ effekt för Koncernens konkurrenskraft, minska Koncernens lönsamhet eller göra det nödvändigt att anskaffa ytterligare aktiekapital. Andra lagreformer som föreslås i kölvattnet efter finanskrisen, till exempel bankskatt eller en möjlig skatt på finansiella transaktioner, separationen av placeringsverksamheten från egenhandel (*proprietary trading*), egentransaktioner (*proprietary transactions*) och kredit- och borgenstransaktioner med vissa fonder med hävstång, eller strängare upplysnings- eller organisationskrav, skulle väsentligen kunna påverka koncernens affärmodell och konkurrensmiljö.

Juridiska risker

Tvister kan uppkomma med anknytning till COMMERZBANKs affärsverksamhet. Sådana tvisters utfall går inte att förutspå vilket medför risk för Koncernen. Exempelvis har skadeståndsanspråk på grund av bristfälliga investeringsråd lett till betydande ansvar för Koncernen och kan komma att leda till ytterligare betydande ansvar för Koncernen i framtiden. Betalnings- och ersättningsanspråk har riktats mot COMMERZBANK och dess dotterbolag, i vissa fall i domstol, i samband med vinstutdelningscertifikat och så kallade *trust preferred securities* som emitterats av Koncernen. Resultaten av rättsprocesserna kan få väsentligt negativa effekter på Koncernen som går utöver de anspråk som framställts i respektive fall. Regulatoriska processer, tillsynsprocesser och rättsliga förfaranden kan få en väsentlig negativ effekt på Koncernen. Rättsprocesser som inleds av lagstiftare, tillsynsmyndigheter och åklagare kan få en väsentlig negativ effekt på Koncernen.

**D.6 Huvudsakliga risker specifika för värdepapperen**

Ingen sekundärmarknad omedelbart före slutlig inlösendag

Marknadsgarantens och/eller börsens handel med Certifikaten kommer att upphöra strax före Certifikatens Förfallodag. Dock kan priset på de Underliggande Tillgångarna och/eller omräkningskursen, vilka båda kan vara relevanta för Certifikaten, fortfarande ändras mellan den sista handelsdagen och Värderingsdagen. Under samma tid kan också alla typer av trösklar eller kurser som kan vara relevanta för betalning enligt Certifikaten kan komma att nås, överskridas eller på annat sätt passeras för första gången. Detta kan vara till investerarens nackdel.

Värdepapper är ovillkorade förpliktelser (Status)

Certifikaten är ovillkorade förpliktelser för Emittenten. De garanteras varken av den Tyska Bankföreningens Insättningsgarantinämnd (*Einlagensicherungsfonds des Bundesverbandes deutscher Banken e.V.*) eller av den tyska lagen om insättningsgaranti och investerarskydd (*Einlagensicherungs- und Anlegerentschädigungsgesetz*). Det betyder att investerarna bär risken för att Emittenten inte kan fullgöra sina skyldigheter enligt Certifikaten, eller endast kan fullgöra dem delvis. Under dessa omständigheter är det möjligt att investeraren förlorar hela sitt kapital.

Intressekonflikter

COMMERZBANK Aktiengesellschaft agerar både Emittent av Certifikaten och Indexberäkningsagent och Indexsponsor. Av detta skäl kan COMMERZBANK Aktiengesellschaft komma att bli föremål för vissa intressekonflikter vid utförandet av dessa olika funktioner.

Den föreslagna skatten på finansiella transaktioner (FTT)

Den Europeiska Kommissionen har föreslagit en gemensam skatt på finansiella transaktioner (FTT) att implementeras i Belgien, Tyskland, Estland, Grekland, Spanien, Frankrike, Italien, Österrike, Portugal, Slovenien och Slovakien. Estland har sedan dess emellertid förklarat att landet inte avser att delta i implementeringen av FTT. Den föreslagna skatten på finansiella transaktioner kan under vissa omständigheter komma att omfatta viss handel i Certifikaten (inklusive handel på sekundärmarknaden). Skatten på finansiella transaktioner är emellertid fortfarande föremål för förhandling mellan de deltagande Medlemsstaterna. Ytterligare Medlemsstater kan välja att delta.

Dessutom är det för närvarande osäkert när skatten på finansiella transaktioner kommer att införas och när skatten kommer att börja äga tillämpning vad avser handel med Certifikaten.

Risker i samband med EU:s "Krishanteringslag" för återhämtning och resolution av finansiella bolag, tillsammans med EU-förordningen som inrättar en gemensam resolutionsmekanism ("SRM-förordningen") och med förslag till en ny EU-förordning om tvingande uppdelning av vissa bankverksamheter

I händelse av att Emittenten blir, eller av den behöriga resolutionsmyndigheten, bedöms ha blivit, "icke bärkraftig" (enligt definitionen i då gällande lag) och oförmögen att fortsätta med sin tillståndspliktiga verksamhet, kan villkoren för Värdepapperen variera (exempelvis variationen i deras löptid), och krav på betalning av amortering, ränta eller andra belopp under Värdepapperen som kan komma att omvandlas till ett eller flera instrument som utgör kärnprimärkapital för Emittenten (tillhörande tier 1), såsom stamaktier, eller en permanent nedskrivning, även till noll, genom ingripande av den behöriga resolutionsmyndigheten ("**Reglerade skuldnedskrivningar**").

EU-förordningen genom vilken den gemensamma rekonstruktionsmekanismen ("**SRM-förordningen**") inrättats innehåller bestämmelser hänförliga till resolutionsplanering, tidiga ingripanden, resolutionsåtgärder och resolutionsverktyg. Detta ramverk kommer att säkerställa att det istället för nationella resolutionsmyndigheter inrättas en enda myndighet, den gemensamma resolutionsnämnden, som kommer att fatta alla relevanta beslut för banker som utgör del av Bankunionen.

Förslaget för en obligatorisk separation av vissa bankverksamheter antagen av Europeiska kommissionen den 29 januari 2014 förbjuder egenhandel och föreskriver den obligatoriska separationen för handel och investmentbanking verksamheter. Skulle en obligatorisk separation införas, kan ytterligare kostnader inte uteslutas, exempelvis högre finansieringskostnader, ökade kapitalkrav och kostnader förknippade med verksamheten på grund av separationen eller förlust av diversifieringsfördelar.

Krav på innehållande av källskatt enligt FATCA

Emittenten kan tvingas innehålla källskatt på 30 procent på vissa eller samtliga betalningar gjorda avseende (i) Värdepapper som emitteras eller väsentligt ändrats efter den dag som infaller sex månader efter den dag då de slutliga bestämmelserna tillämpliga på så kallade *foreign passthru payments* ges in till US Federal Register, (ii) Värdepapper som emitterats eller som väsentligt ändrats efter den dag som infaller sex månader efter den dag skuldförbindelserna av dess slag först anses ge upphov till till utdelning eller motsvarande, eller (iii) Värdepapper som betraktas som aktier i amerikanskt skatterättsligt hänseende, närhelst de emitterats, enligt särskilda bestämmelser vanligtvis benämnda "Foreign Account Tax Compliance Act".

Krav på innehållande av källskatt enligt U.S. Hiring Incentives to Restore Employment Act

Emittenten, eller en amerikansk så kallad "withholding agent", kan under vissa förutsättningar tvingas innehålla källskatt på upp till 30 procent av amerikanska "utdelningsliknande belopp" som är utbetalade eller "anses vara utbetalade" under vissa finansiella instrument som är utgivna efter

den 31 december 2016.

#### Effekter av en nedgradering av kreditvärdigheten

Värdet på Certifikaten kan påverkas av det kreditbetyg som kreditvärderingsföretag ger Emittenten. En eventuell nedgradering av Emittentens kreditvärdighet av endast ett av dessa kreditvärderingsföretag skulle kunna resultera i att Certifikaten minskar i värde.

#### Justeringar och Extraordinär Uppsägning

Emittenten har rätt att utföra justeringar eller att säga upp och lösa in Certifikaten i förtid om vissa villkor är uppfyllda. Detta kan få negativa effekter på Certifikatens värde. Om Certifikaten sägs upp kan det belopp som skall utbetalas till Certifikatinnehavarna i händelse av en extraordinär uppsägning av Certifikaten bli lägre än det belopp som Certifikatinnehavarna skulle ha erhållit utan sådan extraordinär uppsägning.

#### Störande händelser

Emittenten har rätt att fastställa marknadsstörande händelser eller andra händelser som kan leda till att beräkningar och/eller betalningar enligt Certifikaten skjuts upp, vilket kan påverka Certifikatens värde. Dessutom kan Emittenten, i vissa fall, göra uppskattningar av vissa priser som har relevans för uppnående eller passerande av gränser. Dessa uppskattningar kan avvika från det verkliga värdet.

#### Byte av Emittent

Om de gällande Villkoren är uppfyllda har Emittenten rätt att när som helst och utan medgivande från innehavarna av Certifikaten i sitt ställe utse ett annat företag som ny Emittent, och överlåta alla förpliktelser med anknytning till Certifikaten. I så fall får innehavaren av Certifikaten i allmänhet också ta den insolvensrisk som förknippas med den nya Emittenten.

#### Risikfaktorer som förknippas med de Underliggande Tillgångarna

Certifikaten är beroende av värdet på den Underliggande Tillgången och den risk som förknippas med den Underliggande Tillgången. Värdet av den Underliggande Tillgången beror på många faktorer som kan höra ihop. Det kan röra sig om ekonomiska, finansiella och politiska händelser som ligger utanför Emittentens kontroll. Den historiska avkastningen på en Underliggande Tillgång skall inte betraktas som en indikation på framtida avkastning under Certifikatens löptid.

#### Risk vid förfall

Inlösen av Certifikaten på Förfalldagen beror på utvecklingen för den Underliggande Tillgången. Om tillämpligt, beror Certifikatens Inlösenbelopp inte bara på utvecklingen för den Underliggande Tillgången, utan även på utvecklingen för den relevanta Omräkningskursen.

Ett Inlösenbelopp betalas endast ut om det högsta av (i) Inlåsningsvärdet multiplicerat med Inlåsningsnivån eller (ii) den Underliggande Utvecklingen minus det förutbestämda värdet X är över 0

(noll). Om det högre av (i) Inlåsningsvärdet multiplicerat med Inlåsningsnivån eller (ii) den Underliggande Utvecklingen minus det förutbestämda värdet X är lika med eller under 0 (noll), utbetalas inget Inlösenbelopp. **I så fall förlorar investeraren hela det investerade beloppet.**

Risker om investeraren avser eller måste sälja Certifikaten under deras löptid:

*Marknadsvärderisk:*

Det försäljningspris som går att uppnå kan vara väsentligt lägre än det inköpspris som investeraren betalat.

Certifikatens marknadsvärde beror huvudsakligen på den Underliggande Tillgångens utveckling. I synnerhet kan nedanstående faktorer få en väsentlig inverkan på Certifikatens marknadsvärde:

- Förändringar i den förväntade intensiteten i fluktuationerna för den Underliggande Tillgången (volatilitet)
- Återstående löptid för Certifikaten
- Ränteutveckling
- Utdelningsutvecklingen för de indexkomponenter som ingår i Index

Var och en av dessa faktorer kan påverka i sig, eller förstärka eller motverka den andra.

*Handelsrisk:*

Emittenten är inte skyldig att fortlöpande tillhandahålla köp- och säljkurser för Certifikaten på (i) de börser där Certifikaten är noterade eller på (ii) OTC-basis (over the counter), eller att köpa tillbaka Certifikat. Även om Emittenten normalt tillhandahåller köp- och säljkurser kan köp och försäljning av Certifikaten, under extraordinära marknadsvillkor eller vid tekniska problem, tillfälligt begränsas eller omöjliggöras.



## Avsnitt E - Erbjudande och försäljning

| Punkt | Beskrivning av Punkt  | Upplysningskrav  |
|-------|---|--|
| E.2b  | <b>Motiven till erbjudandet och användningen av de medel det förväntas tillföra, om det inte avser lönsamhet eller skydd mot vissa risker</b> | Ej tillämplig<br>Vinstmotivering.  |
| E.3   | <b>Beskrivning av erbjudandets former och villkor</b>   | <p>COMMERZBANK erbjuder under teckningsperioden från 15 november 2017 till 15 december 2017 2.000 Certifikat till en inledande emissionskurs om SEK 10.000 per Certifikat (vilket inkluderar en distributionsavgift på maximalt 0,9% per år).</p> <p>Emittenten har rätt att (i) avsluta teckningsperioden i förtid, (ii) förlänga teckningsperioden eller (iii) annullera erbjudandet. Efter utgången av teckningsperioden fortsätter Emittenten att erbjuda Certifikat. Erbjudandepriiset bestäms fortlöpande.</p>   |
| E.4   | <b>Eventuella intressen som har betydelse för emissionen/erbjudandet, inbegripet intressekonflikter</b>                                       | <p>Nedanstående intressekonflikter kan uppstå i samband med att Emittenten utövar sina rättigheter och/eller skyldigheter i enlighet med Villkoren för Certifikaten (t.ex. i samband med fastställande eller anpassning av parametrar i villkoren), som kan påverka de utbetalningsbara beloppen:</p> <ul style="list-style-type: none"> <li>- emission av ytterligare derivatinstrument med koppling till den Underliggande Tillgången</li> <li>- genomförande av transaktioner av den Underliggande Tillgången och/eller en eller flera komponenter av den Underliggande Tillgången</li> <li>- agerande i egenskap av Indexsponsor och Indexberäkningsagent av den Underliggande Tillgången</li> <li>- affärsrelation med emittenten av en eller flera komponenter av den Underliggande Tillgången</li> <li>- innehav av väsentlig (däribland icke-offentlig) information om den Underliggande Tillgången och/eller en eller flera komponenter av den Underliggande Tillgången</li> <li>- rollen som Marknadsgarant</li> </ul> |
| E.7   | <b>Beräknade kostnader som kan åläggas investeraren av emittenten eller erbjudaren</b>  | <p>Investeraren kan normalt köpa Certifikaten till en fast emissionskurs. Den fasta emissionskursen innefattar alla kostnader som Emittenten har i samband med emissionen och försäljningen av Certifikaten (t.ex. för distribution, strukturering och säkring samt en vinstmarginal för COMMERZBANK).</p>   |

**Attachment to the Terms and Conditions****INDEX DESCRIPTION****The VAL Carnegie Corporate Bond ER 2 Index**

The VAL Carnegie Corporate Bond ER 2 Index described below relates to a virtual portfolio. There is no obligation of the Index Calculation Agent to actually invest in the components of the VAL Carnegie Corporate Bond ER 2 Index.

The VAL Carnegie Corporate Bond ER 2 Index is not a recognised financial index, but rather a customised index composed and calculated solely for the purpose of serving as underlying for the financial instruments issued by COMMERZBANK Aktiengesellschaft. COMMERZBANK Aktiengesellschaft or any of its affiliates may enter into transactions or purchase assets in order to hedge the risk of entering into and performing its obligations with respect to the financial instruments relating to the VAL Carnegie Corporate Bond ER 2 Index.

An increase in the Index Level of the VAL Carnegie Corporate Bond ER 2 Index cannot be guaranteed. The Index Calculation Agent is not responsible for the performance of the Index. The tasks of the Index Calculation Agent are limited to the calculation and publication of the Index.

**1. Index Objectives**

The VAL Carnegie Corporate Bond ER 2 Index (the "**Index**") is an Excess Return volatility target strategy index denominated in SEK that represents the daily outperformance - multiplied by a P-Factor (as defined below and described in Appendix (a)) - of a virtual portfolio consisting of a Basket (as defined in Appendix (b)) against a Money Market Instrument (as defined below). The P-Factor will be adjusted on a daily basis depending on the Realised Volatility of the Basket and calculated by using a purely rule-based methodology (see Appendix (a)). The P-Factor depends on the Realised Volatility of the Basket and a fixed risk control level of 2.00%. The result of the risk control level is that whenever the Realised Volatility is below the risk control level the P-Factor is at or above 100 % and capped at 200% and when the Realised Volatility is above the risk control level the P-Factor falls below 100 % according to the formula as defined in Appendix (a). The P-Factor will be adjusted with respect to each Index Calculation Date.

The objective of the Index is the increase of the Index value with an adjusted level of risk.

The Index is calculated in accordance with section 3 - Index Calculation - of this Index Description and published in accordance with section 5 - Index Publication - of this Index Description by the Index Calculation Agent.

**2. Index Definitions**

For the purposes of this Index Description, the following definitions shall apply:

"**Banking Day**" means any calendar day (other than a Saturday or Sunday).

"**BGB**" means the German Civil Code (*Bürgerliches Gesetzbuch*)

"**Index Calculation Agent**" and "**Index Sponsor**" is COMMERZBANK Aktiengesellschaft.

"**Index Calculation Date**" means any Banking Day on which the Basket Level can be determined by the Index Calculation Agent.

"**Index Commencement Date**" means 20<sup>th</sup> October 2017.

"**Index Level**" means the level of the Index as calculated by the Index Calculation Agent on the basis of the respective Basket Level (see Appendix (b)) and the Money Market Instrument (see section 3 - Index Calculation - of this Index Description), and published in accordance with section 5 - Index Publication - of this Index Description by the Index Calculation Agent.

"**Initial Index Level**" means 100 index points on the Index Commencement Date, one index point corresponding to SEK 1.00.

"**Money Market Instrument**" means with respect of an Index Calculation Date the Stockholm Interbank Offered Rate 3 Months (the "**Reference Interest Rate**"), as published on Bloomberg page STIB3M Index (or any replacement Bloomberg page which displays that rate) (the "**Screen Page**") around 11:00 a.m. (London time) on that day.

If the Index Calculation Agent cannot determine the Reference Interest Rate as aforementioned because the Screen Page is not published, or if the Index Calculation Agent cannot make such determination for any other reason, then the Reference Interest Rate shall be the arithmetic mean (rounded, if necessary, to the nearest one thousandth of a percentage point, 0.0005 being rounded upwards) determined by the Index Calculation Agent of the interest rates which four reference banks selected by the Index Calculation Agent (the "**Reference Banks**") quote to prime banks on such day for deposits in SEK for a period of 3 months.

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 shall be determined by the Index Calculation Agent in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB).

Should the determination of the Reference Interest Rate be terminated permanently, the Index Calculation Agent will determine in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) another reference interest rate as the Reference Interest Rate and give notification of such other reference interest rate in accordance with section 5 - Index Publication - of this Index Description.

"**P-Factor**" means the relative proportion of the Index which is invested in the Basket versus the Money Market Instrument described in Appendix (a).

### **3. Index Calculation**

#### **Initial Index Calculation**

The Index will initially be calculated on the Index Commencement Date. The Index Calculation Agent will calculate the initial Realised Volatility and determine the initial P-Factor (see Appendix (a)) based on the Basket Level on the Index Commencement Date (see Appendix (b)).

The Initial Index Level on the Index Commencement Date is 100 index points, one index point corresponding to SEK 1.00.

#### **Index Calculation**

On each Index Calculation Date the Index Calculation Agent will calculate the Index Level once. The Index Level will be published by the Index Calculation Agent in accordance with section 5 - Index Publication - of this Index Description. On the Index Commencement Date the Index Level is equal to the Initial Index Level and will be calculated by the Index Calculation Agent on each subsequent Index Calculation Date (t) in accordance with the following formula:

$$Index_t = Index_{t-1} \times \left( 1 + PF_{t-1} \times \left[ \left( \frac{Basket_t}{Basket_{t-1}} - 1 \right) - Rate_{t-1} \times \frac{Act_{t,t-1}}{conv} \right] - \left[ PFeex \times \frac{Act_{t,t-1}}{conv} \right] \right)$$

where:

|                       |  |
|-----------------------|--|
| Index <sub>t</sub>    | means the Index Level on the current Index Calculation Date (t).   |
| Index <sub>t-1</sub>  | means the Index Level with respect to the immediately preceding Index Calculation Date (i.e. t-1).   |
| PF <sub>t-1</sub>     | means the P-Factor for the Index Calculation Date (t-1) (see Appendix (a)).  |
| Basket <sub>t</sub>   | means the Basket Level with respect to the current Index Calculation Date (t) (see Appendix (b)).  |
| Basket <sub>t-1</sub> | means the Basket Level with respect to the immediately preceding Index Calculation Date (i.e. t-1) (see Appendix (b)).   |
| Rate <sub>t-1</sub>   | means the Reference Interest Rate with respect to the immediately preceding Index Calculation Date (t-1).  |
| Act <sub>t,t-1</sub>  | means the number of calendar days from, but excluding, the immediately preceding Index Calculation Date (i.e. t-1) to, and including, the relevant Index Calculation Date (t). |
| conv                  | means 360.   |
| PF <sub>fee</sub>     | means the Protection Fee as described in section 4 - Index Fees - of this Index Description.   |

#### **4. Index Fees**

The "**Protection Fee**" will be levied on each calendar day, starting on the Index Commencement Date, and is equal to 0.00% per annum (on the basis of a year comprising 360 days), i.e., (0.00%/360) per calendar day.

#### **5. Index Publication**

The Index Calculation Agent will publish the Index Level on <https://emcideas.commerzbank.com/retail> and on the Bloomberg page CBK11653 Index on each Index Calculation Date.

#### **6. Index Adjustment and Change in the Calculation of the Index**

##### **Index Adjustment**

If a Basket Adjustment occurs in relation to one or several Components (as defined below in Appendix (b)), the Index Calculation Agent may in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) adjust variables and values in the calculation of the Index as required to fully reflect the consequences of such Basket Adjustment (the "**Index Adjustment**").

##### **Change in the Calculation of the Index**

The Index Calculation Agent starts the calculation of the Index on the Index Commencement Date. Although when calculating the Index the Index Calculation Agent intends to adhere to the Index Description in its current form from the Index Commencement Date on, it cannot be ruled out that tax, regulatory, statutory, economic or other circumstances may require subsequent amendments with respect to the Index Description. In that case, the Index Calculation Agent may in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) deviate from, or amend the Index Description. Any deviations from the Index Description are subject to the proviso that the general concept and, thus, the

investment objectives of the Index in particular are maintained. In the event of a change to the calculation method as detailed in the Index Description (a "**Change in the Calculation of the Index**"), the Index Calculation Agent will publish the relevant change in accordance with section 5 - Index Publication - of this Index Description.

#### **7. Suspension of the Calculation of the Index**

The Index Calculation Agent will suspend the calculation of the Index in the case of a Fund Disruption Event (the "**Suspension of the Calculation of the Index**"). The occurrence of such suspension shall be published by the Index Calculation Agent in accordance with section 5 - Index Publication - of this Index Description.

#### **8. Discontinuation of the Calculation of the Index**

If, in the case of any circumstances that require any changes to the Index (section 6 - Index Adjustment and Changes in the Calculation of the Index - of this Index Description) or, upon occurrence of a Substitution Event (Appendix (b) section iii.), an Index Adjustment is not possible while retaining the general concept and, thus, the objectives pursued by the Index, the Index Calculation Agent will discontinue the calculation of the Index (the "**Discontinuation of the Calculation of the Index**"). The Index Calculation Agent will decide in its reasonable discretion (*billiges Ermessen*) (§315 BGB) whether this is the case.

## Appendix (a)

### Calculation of the P-Factor

The P-Factor with respect to the Index Calculation Date (t) will be determined by the Index Calculation Agent in accordance with the following formula:

$$PF_t = \text{Min} \left( \text{MaxW}; \frac{\text{Target Vol}}{\text{RealisedVol}_{t-\text{lag}}} \right)$$

where:

- $PF_t$  means the P-Factor with respect to the Index Calculation Date (t).
- $\text{TargetVol}$  means the risk control level, equal to 2.00%.
- $\text{MaxW}$  means the maximum exposure, equal to 200%.
- $\text{lag}$  means 1.
- $\text{RealisedVol}_{t-\text{lag}}$  means the Realised Volatility with respect to the Index Calculation Date (t-lag).

The "**Realised Volatility**" with respect to Index Calculation Date (t) will be determined by the Index Calculation Agent in accordance with the following formula:

$$\text{RealisedVol}_{t-\text{lag}} = \sqrt{\frac{d}{m}} \times \sqrt{\sum_{k=1}^n \left( \ln \left( \frac{\text{Basket}_{t-n+k-\text{lag}}}{\text{Basket}_{t-n+k-1-\text{lag}}} \right) \right)^2 - \gamma \times \frac{1}{n} \left( \sum_{k=1}^n \ln \left( \frac{\text{Basket}_{t-n+k-\text{lag}}}{\text{Basket}_{t-n+k-1-\text{lag}}} \right) \right)^2}$$

where:

- $\text{RealisedVol}_{t-\text{lag}}$  means the Realised Volatility with respect to Index Calculation Date (t-lag).
- $n$  means the volatility window which corresponds to the number of days used to calculate the Realised Volatility and is equal to 20.
- $d$  means the annualising factor which represents the expected number of Index Calculation Dates in each calendar year, and is equal to 252.
- $k$  means an integer between 1 and n.
- $\gamma$  means a factor equal to 1.
- $m$  means n minus 1.
- $\text{Basket}_{t-n+k-\text{lag}}$  means the Basket Level with respect to Index Calculation Date (t-n+k-lag) (see Appendix (b)).
- $\text{Basket}_{t-n+k-1-\text{lag}}$  means the Basket Level with respect to Index Calculation Date (t-n+k-1-lag) (see Appendix (b)).

## Appendix (b)

### Calculation of the Basket

#### i. Definitions

For the purposes of Appendix (b), the following definitions shall apply:

"**Basket**" means the following basket of fund shares (the "**Fund Shares**") of mutual funds, each a "**Component**":

| Component <sub>j</sub> | Fund Shares  | Weighting of Fund <sub>i</sub> | Fund <sub>i</sub>            | BBG ticker        | ISIN         |
|------------------------|--|--------------------------------|------------------------------|-------------------|--------------|
| 1                      | SEK denominated shares in the Fund of Carnegie Fonder Port-CO BD-A | 100%                           | Carnegie Fonder Port-CO BD-A | HAGSHYF LX Equity | LU0075898915 |

"**BBG Ticker**" with respect to a Fund Share means the Bloomberg ticker with respect to the relevant Fund Share as specified in the definition of "Basket".

"**Compulsory Redemption**" with respect to a Fund Share means the compulsory redemption or transfer of the relevant Fund Shares, as described in the relevant Memorandum.

"**Fund**" with respect to a Fund Share means the fund specified in relation to the relevant Fund Share in the table of "Basket".

"**Fund Business Day**" with respect to a Fund Share means each day on which the NAV of the relevant Fund Share is determined and published (or made available) according to the relevant Memorandum.

"**Fund Disruption Event**" with respect to a Fund Share means any event as determined by the Index Calculation Agent in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) that delays, disrupts or impairs the calculation of the NAV of the relevant Fund Share which is not considered to be a Substitution Event.

"**Fund Management**" with respect to a Fund means the management of such Fund which includes (i) any entity specified in the relevant Memorandum which is responsible for providing investment management advice to such Fund and/or to any relevant third party, and/or (ii) any entity or individual who is responsible to manage the business and the affairs of such Fund, and/or (iii) any individual or group of individuals specified in the relevant Memorandum who is/are responsible for overseeing the activities of such Fund and/or (iv) any entity specified in the relevant Memorandum that is responsible for the administration of such Fund and the determination and publication of the NAV of the relevant Fund Share.

"**Memorandum**" with respect to a Fund means the relevant prospectus in relation to the relevant Fund, as amended and supplemented from time to time.

"**NAV**" with respect to a Fund Share means the net asset value of the respective Fund Share as determined and published (or made available) according to the respective Memorandum.

"**Substitution Event**" means any of the following events with respect to any Fund and any Fund Shares:

- (i) The implementation of any change to the terms and conditions of the Fund which is of a material nature including but not limited to such changes as (i) a change in the risk profile of the Fund and/or the Fund Shares; (ii) a change in the voting rights, if any, associated with the voting shares of the Fund Shares; (iii) an alteration to the investment objectives of the Fund; or (iv) a change in the currency in which the Fund Shares are denominated so that the NAV is quoted in a different currency from that in which it was quoted on the Index Commencement Date. The Index Calculation Agent shall decide in its reasonable

- discretion (*billiges Ermessen*) (§ 315 BGB) whether such a change is of a material nature;
- (ii) The breach of the investment objectives of the Fund Shares (as defined in the Memorandum) if such breach is of a material nature. The Index Calculation Agent shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether this is the case;
  - (iii) The imposition or increase of subscription and/or redemption fees, or taxes or other similar fees, payable in respect of a purchase or redemption of the Fund Shares after the Index Commencement Date;
  - (iv) If the Fund Management fails for reasons other than of a technical or operational nature, to calculate and make available the NAV for five consecutive Fund Business Days;
  - (v) If the activities of the Fund and/or the Fund Management are placed under review by their regulators for reasons of wrongdoing, breach of any rule or regulation or other similar reason;
  - (vi) The Compulsory Redemption of the Fund Shares by the Fund for any reason prior to the end of the term of the financial instruments relating to the VAL Carnegie Corporate Bond ER 2 Index;
  - (vii) If the issue of additional shares of the Fund or the redemption of existing Fund Shares is suspended and if any such suspension continues for five Fund Business Days;
  - (viii) The winding-up or termination of the Fund and/or the Fund Shares for any reason prior to the end of the term of the financial instruments relating to the VAL Carnegie Corporate Bond ER 2 Index;
  - (ix) If the Fund is superseded by a successor fund (the "**Succession**") following a merger or similar event unless the Succession does not have any relevant economic effect on the financial instruments relating to the VAL Carnegie Corporate Bond ER 2 Index. The Index Calculation Agent shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether this is the case;
  - (x) The cancellation of the registration, or of the approval, of the Fund and/or the Fund Shares and/or the Fund Management by any relevant authority or body;
  - (xi) The replacement of the Fund Management by the Fund unless the relevant replacement is an individual or group of individuals who, or a corporate entity which, is reputable and experienced in their field. The Index Calculation Agent shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether this is the case;
  - (xii) Any change in the accounting, regulatory or tax treatment applicable with respect to the Fund which could have an economic impact for the Index Calculation Agent, its affiliates or any other designated hedging entity;
  - (xiii) If the Index Calculation Agent is required, pursuant to any accounting or other applicable regulations in accordance with which it prepares financial statements, to consolidate the Fund;
  - (xiv) A procedure is introduced or ongoing pursuant to which all Fund Shares or substantial assets of the Fund are or are liable to be nationalized or expropriated or otherwise transferred to public agencies, authorities or organizations;
  - (xv) Application for insolvency proceedings or for comparable proceedings with regard to the assets of the Fund according to the applicable law of the Fund; or
  - (xvi) Any change in the periodicity of the calculation or the publication of the NAV;



- (xvii) Any other event in respect of the Fund which has an analogous effect to any of the events specified under (i) – (xvi) above. The Index Calculation Agent shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether this is the case.

"**Weighting of Fund<sub>i</sub>**" means the weighting with respect to the relevant Fund as specified in the definition of "Basket".

## **ii. Basket Calculation Formula**

For each Fund Business Day the Index Calculation Agent will calculate a level of the Basket ("**Basket Level**") on a daily basis as soon as the respective NAVs of all Components are published on their corresponding BBG ticker.

On the Index Commencement Date the Basket Level is equal to 1.00 and will be calculated on each subsequent Fund Business Day (t) in accordance with the following formula:

$$\text{Basket}_t = \text{Basket}_{t-1} \times \sum_{i=1}^j \left( \text{WF}_i \times \frac{\text{NAV}_{i,t}}{\text{NAV}_{i,t-1}} \right)$$

where:

- Basket<sub>t</sub>** means the Basket Level with respect to the current Fund Business Day (t).
- Basket<sub>t-1</sub>** means the Basket Level with respect to the immediately preceding Fund Business Day (i.e. t-1).
- NAV<sub>i,t</sub>** means the NAV of Fund<sub>i</sub> with respect to the current Fund Business Day (t).
- NAV<sub>i,t-1</sub>** means the NAV of the Fund<sub>i</sub> with respect to the immediately preceding Fund Business Day (i.e. t-1).
- j** means 1 as described in paragraph i – "Basket" definition.
- WF<sub>i</sub>** means the Weighting of Fund<sub>i</sub> in the Basket as determined in the table of the definition "Basket" in paragraph i.

## **Suspension of Basket Calculation**

Upon the occurrence of a Fund Disruption Event the calculation of the Basket Level shall be postponed to the next Banking Day on which the NAVs of all Components are again determined and published and on which no Fund Disruption Event occurs. The occurrence of a Fund Disruption Event shall be published in accordance with section 5 - Index Publication - of this Index Description.

In the case of a Substitution Event with respect to one or more Components, the calculation of the Basket Level shall be postponed until the Banking Day on which (i) the NAVs of all Successor Funds are determined and published for the first time after all Successor Funds have become a Component, (ii) no Fund Disruption Event exists and (iii), in case no Successor Funds were identified, the Index Calculation Agent starts calculating the Index on the basis of the Removal Value in accordance with paragraph iii below.

## **iii. Basket Adjustments in case of a Substitution Event**

1. Upon occurrence of a Substitution Event which has a material effect on a Fund Share or the price of a Fund Share, the Index Calculation Agent shall make any such adjustments to the Index as are necessary to account for the economic effect of the Substitution Event on the Index and to maintain the general concept and, thus, the objectives pursued by the Index prior

to the occurrence of the Substitution Event in accordance with the following provisions (each a "**Basket Adjustment**"). The Index Calculation Agent shall decide in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB) whether a Substitution Event has occurred and whether such Substitution Event has a material effect on a Fund Share or the price of a Fund Share.

2. A Basket Adjustment may result in:

- (a) the replacement of the Fund by a fund (a "**Substitution Fund**") with similar characteristics, investment objectives and policies to those of the Fund immediately prior to the occurrence of the Substitution Event (a "**Substitution**").

Any Substitution shall occur on the basis of

- (i) the NAV as of the Fund Business Day immediately prior to the occurrence of the Substitution Event if the Substitution Event was announced at least 10 Fund Business Days prior to such occurrence, and otherwise the NAV as of the Fund Business Day immediately subsequent to the occurrence of the Substitution Event in any case as adjusted by the redemption proceeds that would be paid to a hypothetical investor in the Fund located in the Federal Republic of Germany (the "**Hypothetical Investor**") following the earliest possible redemption of the Fund Shares after the Substitution Event by such Hypothetical Investor (taking into account any redemption restrictions or suspensions pursuant to the Memorandum), adjusted to reflect, without duplication, such fees and costs as would be charged to such Hypothetical Investor pursuant to the Memorandum (the "**Removal Value**") and
- (ii) the number of fund shares of the Substitution Fund with a combined value equal to the Removal Value as at the earliest possible date for subscription of interests in the Substitution Fund pursuant to its documentation by such Hypothetical Investor next following the date of receipt of the Removal Value by such Hypothetical Investor, adjusted to reflect, without duplication, such fees and costs as would be charged to such Hypothetical Investor pursuant to the documentation of the Substitution Fund (the "**Substitution Value**");

and/or

- (b) in case the Index Calculation Agent is unable to identify a Substitution Fund any determinations and calculations to be made under this Index Description no longer being made on the basis of the NAV but on the Removal Value which shall, contrary to the description above, be determined on each Fund Business Day in accordance with the formula below. In addition, the Index Calculation Agent shall make amendments to all related terms accordingly.

$$\text{RemovalValue}_t = \text{RemovalValue}_{t-1} \times \left[ 1 + \text{Rate}_{t-1} \times \frac{\text{Act}_{t,t-1}}{\text{conv}} \right]$$

where:

$\text{RemovalValue}_t$  means the Removal Value determined in respect of a Fund Business Day (t).

$\text{RemovalValue}_{t-1}$  means the Removal Value determined in respect of the immediately preceding Fund Business Day (t-1).

$\text{RemovalValue}_0$  means the Removal Value determined on the Removal Date.

$\text{Rate}_{t-1}$  means the Reference Interest Rate with respect to the immediately preceding Fund Business Day (t-1).

$Act_{t,t-1}$  means the number of calendar days during the period from and including the Fund Business Day (t-1) to but excluding the respective Fund Business Day (t).

For the first calculation to be made on the basis of the Removal Value on the Fund Business Day directly following the Removal Date, it shall be the number of calendar days during the period from and including the Removal Date to but excluding such Fund Business Day.

conv means 360.

**"Removal Date"** means for the purpose of the determinations and calculations under this paragraph iii the Banking Day following the Index Calculation Agent's determination that it is unable to find a Substitution Fund.

3. The Index Calculation Agent shall make adjustments in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB).
4. Any reference made to a Fund or a Fund Share in this Index Description shall, if the context so admits, then refer to the Substitution Fund and the relevant fund share of the Substitution Fund. All related definitions shall be deemed to be amended accordingly.
5. Basket Adjustments shall take effect on the Substitution Date. The **"Substitution Date"** shall be in the case of a Substitution the Banking Day following the day on which the Removal Value would have been received by such Hypothetical Investor determined by the Index Calculation Agent in its reasonable discretion (*billiges Ermessen*) (§ 315 BGB).
6. Basket Adjustments as well as the Substitution Date shall be notified by the Index Calculation Agent in accordance with with section 5 - Index Publication - of this Index Description.

Frankfurt am Main, 15 November 2017

**COMMERZBANK**  
AKTIENGESELLSCHAFT