

# CIBC Collared Floating Rate Deposit Notes

## NOTE DESCRIPTION

The CIBC Collared Floating Rate Deposit Notes have a term to maturity of 3 years. The Deposit Notes provide a quarterly floating rate coupon equal to the 3-month BA rate, subject to a minimum coupon of 2.00% per annum and maximum coupon of 4.00% per annum.

## INVESTMENT OVERVIEW

- ⇒ 3 year term
- ⇒ Quarterly Coupons equal to the 3-month BA rate with a minimum coupon of 2.00% per annum and maximum coupon of 4.00% per annum
- ⇒ Currently the 3-month BA Rate is equal to 0.88714% (as of July 6, 2010)
- ⇒ 100% principal protection at maturity

## TERMS OF OFFERING

- Issue:** CIBC Collared Floating Rate Deposit Notes (the "Deposit Notes")
- Issuer:** Canadian Imperial Bank of Commerce
- Rating:** The Deposit Notes have not been and will not be specifically rated by any rating agency. However, the deposit liabilities of CIBC with a term to maturity of one year or more are rated AA (stable outlook) by DBRS, Aa2 (negative outlook) by Moody's Rating Service, AA- (negative outlook) by Fitch Ratings and A+ (stable outlook) by Standard & Poor's. A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.
- Principal Amount** \$100.00 CAD per Deposit Note
- Issue Price:** \$100.00 CAD per Deposit Note. Minimum subscription of \$5,000 and integral multiples thereof.
- Issue Size:** \$5,000,000 CAD plus Greenshoe
- Greenshoe Amount:** Up to \$30,000,000 exercisable in increments of \$1,000,000, by mutual agreement of CIBC and CIBC World Markets Inc. and exercisable until 4:00 p.m. (Toronto time) five Business Days after the Trade Date.
- Trade Date:** July 6, 2010
- Issue Date:** July 22, 2010
- Maturity Date:** July 22, 2013
- Non-Redeemable:** The Deposit Notes are not subject to redemption at the option of the holder.
- Principal Amount Repayment:** The Principal Amount of \$100.00 per Deposit Note will be repaid on the Maturity Date.
- Coupon:** Interest will be payable under the Deposit Notes in Canadian dollars in the form of quarterly coupons (the "Coupons"). Coupons will be determined as follows:  
$$\text{Principal Amount} \times \text{Coupon Rate} \times (\text{number of days in Coupon Period}/365)$$
- Coupon Rate:** CIBC will pay a quarterly Coupon on each Coupon Payment Date equal to the 3-Month BA Rate, subject to a minimum of 2.00% per annum and maximum of 4.00% per annum, as specified in the table below:

Term	Floating Rate	Quarterly Minimum Coupon Rate (p.a.)	Quarterly Maximum Coupon Rate (p.a.)
3 Years	3-Month BA	2.00%	4.00%

The Coupon Rate will be set in advance on the first day of each Coupon Period (the "Coupon Reset Date") with the first Coupon Reset Date being July 22, 2010 and payable in arrears.

- Coupon Payment Date:** Coupon payments will be made by CIBC on the 22<sup>nd</sup> of each July, October, January, and April, with the first Coupon payment on October 22, 2010 and final Coupon payment on the Maturity



Date. If the Coupon Payment Date is not a Business Day, the Coupon Payment Date will be the next Business Day. A Business Day is a day on which the Main Branch of the Canadian Imperial Bank of Commerce in Toronto and the CDS Clearing and Depository Services Inc. ("CDS") in Toronto are open for business.

- 3-Month BA Rate:** "3-Month BA Rate" means, on any Coupon Reset Date, the average bid rate of interest (expressed as an annual percentage rate to five decimal places) for three-month Canadian dollar bankers' acceptances that appears on the Reuters Screen CDOR Page as of 10:15 a.m., Toronto time, on such Coupon Reset Date. If such rate does not appear on the Reuters Screen CDOR Page, the rate will be determined on the basis of the arithmetic mean (rounded to the nearest one-thousandth of one percent, with .0005 being rounded up) of the bid rates per annum of the Reference Banks, as obtained by the Calculation Agent, for three-month Canadian dollar bankers' acceptances for settlement on that Coupon Reset Date and in an amount of C\$10,000,000 accepted by the Reference Banks as of 10:15 a.m., Toronto time. The Calculation Agent will request the principal Toronto office of each of the Reference Banks to provide a quotation of its rate. If all Reference Banks have not provided quotes, then only the bids of those Reference Banks that provide bid quotations shall be used for purposes of determining the 3-Month BA Rate.
- Coupon Period:** Coupon Period means each period from and including a Coupon Payment Date (or the Issue Date for the first quarterly Coupon Period), to but excluding the next Coupon Payment Date.
- Reference Banks:** Reference Banks means Canadian Imperial Bank of Commerce, Royal Bank of Canada, Bank of Montreal, The Bank of Nova Scotia and The Toronto-Dominion Bank.
- Calculation Agent:** CIBC World Markets Inc.
- Secondary Market:** CIBC World Markets Inc. will maintain a secondary market for the Deposit Notes, but reserves the right not to do so in the future in its sole discretion, without providing prior notice to investors. The secondary market price of the Deposit Notes will be dependent on a number of factors, in particular prevailing interest rates. See "Risk Factors" below. An investor who sells a Deposit Note to CIBC World Markets Inc. prior to Maturity Date, may receive sale proceeds that are less than the Principal Amount.
- Book Entry Only System:** The Deposit Notes will be evidenced by a single global deposit note registered in the name of CDS or its nominee. Registration of interests in and transfers of the Deposit Notes will be made only through the Book Entry Only (BEO) registration and transfer system of CDS. The Deposit Notes must be purchased either directly or indirectly through a participant in the CDS BEO system. No holder will be entitled to any certificate or other instrument from CIBC or CDS evidencing the ownership thereof, and no holder will be shown on the records maintained by CDS except through an agent who is a participant of CDS.
- Status:** The Deposit Notes will constitute direct, unsubordinated and unsecured obligations of CIBC ranking pari passu with all other direct, unsubordinated and unsecured obligations of CIBC outstanding from time to time, including its deposit liabilities. The Deposit Notes are not insured by the Canada Deposit Insurance Corporation or any other entity.
- Tax Considerations:** An investor should consider the income tax consequences of an investment in the Deposit Notes, including those arising from a disposition of the Deposit Notes prior to the Maturity Date.
- Underwriter:** CIBC World Markets Inc., as underwriter for the Deposit Notes, has agreed to purchase the Deposit Notes from CIBC and will offer the Deposit Notes for sale to the public. CIBC World Markets Inc. may, at any time prior to the settlement of the Deposit Notes on the Issue Date (upon notice to and after telephone consultation with CIBC), terminate its commitment to purchase the Deposit Notes if in the reasonable opinion of CIBC World Markets Inc. (a) there is a development which has or may have a material adverse effect on Canadian financial markets or the business or affairs of CIBC, or (b) the state of the financial markets is such that the Deposit Notes cannot be profitably marketed.
- Selling Restriction:** These Terms of Offering do not constitute an offer or invitation by anyone in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or invitation. The distribution of these Terms of Offering and the offering or sale of the Deposit Notes in some jurisdictions may be restricted by law. Persons into whose possession these Terms of Offering come are required by CIBC and CIBC World Markets Inc. to inform themselves about and to observe any such restrictions. These Terms of Offerings constitute an offering of the Deposit Notes only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and then only through persons duly qualified to effect such sales.
- The Deposit Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to U.S. persons.

## RISK FACTORS

An investment in the Deposit Notes is subject to certain risk factors that prospective investors should consider before purchasing the Deposit Notes. A prospective investor is urged to consult the investor's own legal, accounting and tax advisers in order to determine the consequences of an investment in the Deposit Notes and to make an independent evaluation of such investment. Specific risk factors include, but are not limited to:

**Non-Conventional Investment:**

The Deposit Notes have certain investment characteristics that differ from conventional fixed income products. Specifically, the performance of the Deposit Notes will not track the same price movements as traditional interest rate products. A person should reach a decision to invest in the Deposit Notes after carefully considering, with his or her advisors, the suitability of the Terms of Offering in light of his or her investment objectives and the information set out in this Term Sheet. No recommendation is being made by CIBC as to the suitability of the Deposit Notes for investment.

**Coupon:**

CIBC Collared Floating Rate Deposit Notes are unique. As a result of the floating rate Coupon of the Deposit Notes, the price movement of the Deposit Notes could be quite different from notes, bonds, and similar debt instruments with the same credit risk and term to maturity. For example, if the 3-month BA Rate rises over the term of the Deposit Notes, the Coupon payable on a Coupon Payment Date may be limited by the maximum Coupon Rate of 4.00%.

**Secondary Market:**

CIBC World Markets Inc. will maintain a secondary market for the Deposit Notes, but reserves the right not to do so in the future in its sole discretion, without providing prior notice to investors. The secondary market price of the Deposit Notes will be dependent on a number of factors, in particular prevailing interest rates and interest rate volatility. An investor who sells a Deposit Note to CIBC World Markets Inc. prior to the Maturity Date may receive sale proceeds that are less than the Principal Amount.

**Credit Risk:**

The Deposit Notes will constitute direct and unconditional obligations of CIBC. The Deposit Notes are not insured by the Canada Deposit Insurance Corporation or any other entity. The likelihood that investors will receive the payment owing to them in connection with the Deposit Notes will be dependent upon the financial health and creditworthiness of CIBC.

## HISTORICAL 3-MONTH BA RATE

The graph below shows the 3-Month BA Rate since July 5, 2002. Past performance is not an indication of future results for the 3-Month BA Rate or the Deposit Notes.



Source: Bloomberg

## HYPOTHETICAL EXAMPLES

The following hypothetical example calculations demonstrate how the Coupons are calculated for a Coupon Period. The examples are included for illustrative purposes only and are not indicative of future performance. Each example assumes a notional investment of \$100,000 in the Deposit Notes.

### **Example #1: Hypothetical Coupon Rate for Coupon Period from and including July 22, 2010 to but excluding October 22, 2010**

3-Month BA Rate:	1.75667% per annum
Floor	2.00% per annum
Cap	4.00% per annum
Coupon Rate:	2.00% per annum
# of days in Coupon Period:	92
Coupon:	$\$100,000.00 \times 2.00\% \times 92 \div 365 = \$504.11$

In hypothetical example #1 above, the Coupon Rate would be 2.00% per annum, resulting in a Coupon of \$504.11 being paid to investors. In this hypothetical example, investors would receive 2.00% rather than the 3-month BA rate of 1.75667%, as the 3-month BA rate on July 22<sup>nd</sup>, 2010 is less than the minimum Coupon Rate.

### **Example #2: Hypothetical Coupon Rate for Coupon Period from and including July 22, 2011 to but excluding October 22, 2011**

3-Month BA Rate:	3.25665% per annum
Floor	2.00% per annum
Cap	4.00% per annum
Coupon Rate:	3.25665% per annum
# of days in Coupon Period:	92
Coupon:	$\$100,000.00 \times 3.25665\% \times 92 \div 365 = \$820.85$

In hypothetical example #2 above, the Coupon Rate would be 3.25665% per annum, resulting in a Coupon of \$820.85 being paid to investors. In this hypothetical example, investors would receive 3.25665% as the 3-month BA rate on July 22<sup>nd</sup>, 2011 is greater than the minimum Coupon Rate and less than the maximum Coupon Rate.

### **Example #3: Hypothetical Coupon Rate for Coupon Period from and including October 22, 2012 to but excluding January 22, 2013**

3-Month BA Rate:	5.35888% per annum
Floor	2.00% per annum
Cap	4.00% per annum
Coupon Rate:	4.00% per annum
# of days in Coupon Period:	92
Coupon:	$\$100,000.00 \times 4.00\% \times 92 \div 365 = \$1,008.22$

In hypothetical example #3 above, the Coupon Rate would be 4.00% per annum, resulting in a Coupon of \$1,008.22 being paid to investors. In this hypothetical example, investors would receive 4.00% rather than the 3-month BA rate of 5.35888%, as the 3-month BA rate on October 22<sup>nd</sup>, 2012 is greater than the maximum Coupon Rate.