



CIBC CIBC Volatility Control Cross Asset Momentum Index Deposit Notes, Series 9

Oral Disclosure Summary for Sales in Person or by Telephone

The Deposit Notes are governed by federal regulations for “Principal Protected Notes”. For any purchases of Deposit Notes in person or by telephone, the advisor must orally provide the following information to the investor at the time the purchase order is taken:

Term

- The CIBC Volatility Control Cross Asset Momentum Index Deposit Notes, Series 6 will be issued on December 21, 2018 and will mature on December 21, 2023, resulting in a term to maturity of 5 years. The Principal Amount of \$100.00 per Deposit Note will be repaid at maturity

Variable Interest

- Variable Interest, if any, payable under the Deposit Notes is linked to the price performance of the CIBC Volatility Control Cross Asset Momentum Index (the “Reference Index”). The Reference Index is a proprietary, rules-based momentum index created and administered by CIBC that seeks to provide either long or short exposure to a universe of up to 56 different underlyings across 4 asset classes, consisting of equities, rates, FX and commodities, with such exposure dynamically adjusted daily with a view to achieving a target volatility rate of 8.00% per year. Please see the Information Statement for a description of the Reference Index.
- Variable Interest, if any, payable at maturity will be equal to the Principal Amount multiplied by the Variable Return. The Variable Return will be equal to the greater of (i) the Index Performance multiplied by the Participation Rate; and (ii) nil. The Index Performance for the Reference Index will be equal to the percentage gain or loss in the Closing Value of the Reference Index, measured from the Issue Date to the Valuation Date. The Participation Rate will be equal to 115%.
- The full amount of Variable Interest, if any, generally will be included in the investor's income in the investor's taxation year that includes the Maturity Date except to the extent that some part or all of any amount of Variable Interest has already been included in the investor's income for that or a preceding taxation year. Where payment of Variable Interest takes place prior to the Maturity Date as a result of an Extraordinary Event, the full amount of such payment will be included in the investor's income in the investor's taxation year in which Variable Interest becomes calculable, except to the extent that any Variable Interest has already been included in the investor's income for that or a preceding taxation year.
- It is possible that no Variable Interest may be payable on the Deposit Notes. No Variable Interest will be payable unless the Variable Return is positive. The Principal Amount will be repaid only at maturity. An investor cannot elect to receive the Principal Amount or Variable Interest prior to maturity.
- Investors should read the Information Statement for more detailed information regarding the payment of the Principal Amount and Variable Interest.
- For accounts held in nominee name, CIBC will pay all amounts owing at maturity to CDS Clearing and Depository Services Inc., or a successor, or its nominee (“CDS”) and CIBC understands that payment of such amounts will be credited by CDS in the appropriate amounts to the relevant CDS participant. Payments from the CDS participant to investors will be governed by standing instructions and customary practices and will be the responsibility of the CDS participant. For client-name accounts, CIBC will pay all amounts owing at maturity to investors directly.



Fees and Expenses

- The Selling Agent will receive an upfront sales fee equivalent to 3.00% of the Principal Amount payable on the Issue Date. Dealers and other firms will sell the Deposit Notes to investors. The Selling Agent will pay from the upfront sales fee received an upfront commission to these dealers and firms in connection with the sale of Deposit Notes to investors. No fees or expenses will be charged that will impact any Variable Interest payable on the Deposit Notes.

Secondary Market

- The Deposit Notes cannot be redeemed prior to maturity. CIBC World Markets Inc. will provide a secondary market for the Deposit Notes but reserves the right not to do so in the future, without providing prior notice to investors. Proceeds on sale may be less than the Principal Amount. . An investor who sells a Deposit Note prior to maturity will have to pay an Early Trading Charge, deductible from the proceeds of the Deposit Notes, of 4.32% initially, reducing daily by 0.012% to 0.00% after 360 days.
- The secondary market bid price (i) might have a non-linear sensitivity to the rise and fall in the value of the Reference Index (i.e. the bid price of a Deposit Note might increase and decrease at a different rate compared to the respective percentage increase and decrease in the closing value of the Reference Index); and (ii) may be substantially affected by changes in the level of interest rates independent of the price performance of the Reference Index.
- An investor who disposes of a Deposit Note to CIBC World Markets Inc. in the secondary market will generally be required to include in income an amount of interest deemed to have accrued on the Deposit Note to the time of sale equal to the amount, if any, by which the sale price exceeds the Principal Amount. See “Canadian Federal Income Tax Considerations” in the Information Statement.

Suitability

- The Deposit Notes are different from conventional fixed income investments. The Deposit Notes do not provide investors with a return or income stream prior to the Maturity Date, nor do they provide a return that is calculated or determined by reference to a fixed or floating rate of interest.
- An investment in the Deposit Notes is suitable only for investors who: (i) are prepared to assume risks with respect to a return linked to the price performance of the Reference Index; (ii) are prepared to hold the Deposit Notes to maturity; (iii) do not require a guaranteed return; and (iv) understand the terms of the Deposit Notes and the risks involved in holding the Deposit Notes. CIBC makes no recommendation as to the suitability of the Deposit Notes for investment. The Deposit Notes are not suitable for Investors who do not understand the methodology of the Reference Index or the risks of investing in a proprietary, rules-based momentum index created and administered by CIBC.

Risk Factors

- Investors should consider certain risk factors before reaching a decision to purchase the Deposit Notes, including but not limited to (i) the Deposit Notes are not suitable for all investors; (ii) the Deposit Notes are different than conventional fixed income investments; (iii) no Variable Interest may be payable over the term of the Deposit Notes; (iv) investors in the Deposit Notes have no ownership of, or recourse to, the Reference Index; (v) investors should undertake an independent investigation of the Reference Index as deemed necessary; (vi) 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. The Deposit Notes will not be insured by the Canada Deposit Insurance Corporation or any other entity; (vii) there is no cap or maximum amount of Variable Interest that theoretically may be payable at maturity, except that the Criminal Code (Canada) prohibits a person from receiving interest greater than 60% each year; (viii) there is no assurance that CIBC World Markets Inc. will provide a secondary market for the Deposit Notes and if not, a secondary market may not be available; (xi) investors should consider the tax consequences of an investment in the Deposit Notes; (x) the occurrence of Special Circumstances may accelerate or delay the payment of Variable Interest, if any, and change the manner in which Variable Interest is calculated; however, the Principal



Amount will not be repaid until maturity; (xi) CIBC is the issuer of the Deposit Notes, will calculate the amount of Variable Interest that may be payable and may be required to exercise its judgment in relation to the Deposit Notes from time to time. CIBC or one or more of its affiliates may publish research reports with respect to the Reference Index that may express opinions inconsistent with purchasing the Deposit Notes. CIBC is also the Index Administrator for the Reference Index, and in that capacity is responsible for gathering the Reference Index data, publishing the Closing Values for the Reference Index and calculating the returns of the Reference Index. CIBC World Markets Inc. provides the bid price and facilitates sales of the Deposit Notes in a secondary market. As such, CIBC and CIBC World Markets Inc. may have economic interests that are adverse to those of Investors; (xii) changes in economic conditions may adversely affect the Reference Index and are not within the control of CIBC; and (xiii) changes made to federal and provincial legislation, regulations or administrative practice, including with respect to taxation, may adversely affect investors. Investors should read the Information Statement for more detailed information regarding risk factors.

Other Important Information

- Investors may cancel an order to purchase a Deposit Note (or cancel the purchase of a Deposit Note if the Deposit Note has been issued) by providing instructions to CIBC through their investment advisor any time up to 48 hours after the later of (i) the day on which the agreement to purchase the Deposit Note is entered into and (ii) deemed receipt of the Information Statement. Investors should read the Information Statement for more detailed information about their right of cancellation.
- CIBC may amend the terms of the Deposit Notes without notice to investors if CIBC and CIBC World Markets Inc. agree that the amendment would not have an impact on any Variable Interest payable under the Deposit Notes. In all other cases, CIBC will provide notice to investors of the amendment prior to making the amendment or without delay after the amendment is made.
- Investors may request information about the Deposit Notes or a copy of the Information Statement from their investment advisor. A copy of the Information Statement is also posted at www.cibcnotes.com.
- Ongoing disclosure regarding the Deposit Notes will be available to investors at www.cibcnotes.com, including (i) the current Closing Value of the Reference Index; (ii) the formula for determining the Variable Interest of the Deposit Notes; and (iii) if available, CIBC World Markets Inc.'s most recent secondary market bid price for the Deposit Notes (and the applicable Early Trading Charge).

This is only a synopsis of certain terms of the Deposit Notes. Investors should read the Information Statement for more detailed and complete information on all aspects of the Deposit Notes.