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Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from insider reporting requirements granted to certain vice presidents of a reporting issuer, subject to certain conditions

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 87, 91

National Instrument 55-101 - *Exemption From Certain Insider Reporting Requirements*

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEWFOUNDLAND AND LABRADOR, AND NOVA SCOTIA

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF CANADIAN IMPERIAL BANK OF COMMERCE

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador and Nova Scotia (collectively, the “Jurisdictions”) has received an application from Canadian Imperial Bank of Commerce (“CIBC”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that the requirement contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of CIBC by reason of having the title of Vice-President;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS CIBC has represented to the Decision Makers that:

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1. CIBC is a Schedule 1 Canadian chartered bank governed by the *Bank Act* (Canada).
2. CIBC is a reporting issuer (or equivalent) in each province and territory of Canada. CIBC is not in default of any requirements under the Legislation.
3. Currently, it is estimated that more than 1,000 individuals are insiders of CIBC by reason of being a senior officer or director of CIBC or a subsidiary of CIBC. Of these individuals, all but approximately 347 individuals are currently exempt from the insider reporting requirements of the Legislation by reason of existing orders and/or the exemptions contained in National Instrument 55-101 *Exemption from certain Insider Reporting Requirements* ("NI 55-101").
4. CIBC has made this application to seek the requested relief in respect of approximately 227 individuals, who, in the opinion of the CIBC Legal & Compliance Division, satisfy the Exempt VP Criteria (as defined below).
5. CIBC has trading restrictions in place for all directors and employees in the CIBC group of companies to ensure that such persons are aware that: 1) they are not permitted to buy or sell securities of CIBC when they have material information about CIBC that has not been released to the general public; and 2) they are not permitted to disclose, inadvertently or intentionally, material information about CIBC that has not been released to the general public, except to other employees on a need-to-know basis.
6. CIBC has additional trading restrictions in place for senior officers as well as certain other employees who may receive or have access to non-public material information about CIBC. CIBC developed these additional restrictions to ensure that its directors, senior officers and other employees are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation.
7. The additional restrictions are: 1) trades in securities of CIBC may occur only during certain time frames, generally for approximately 30 days after CIBC's financial results are announced; 2) trades in securities of CIBC must be pre-cleared; and 3) trading accounts (other than managed accounts) must be maintained within the CIBC group of companies for Canadian employees and trading accounts of Canadian and foreign employees are monitored regularly by designated staff in CIBC's Legal & Compliance Division. These additional restrictions will continue to apply to any individual who is exempted from the insider reporting requirements by the Decision Makers.

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8. Designated staff in CIBC's Legal & Compliance Division oversee administration of CIBC's trading restrictions for senior officers and other employees.
9. Designated staff in CIBC's Legal & Compliance Division, in consultation with the head of each business unit and functional group and certain officers of CIBC with a policy-making function, reviewed 1) the organizational structure of CIBC; 2) the function of each vice-president; and 3) the distribution of non-public material information about CIBC through each of its business lines and functional groups and assessed whether non-public material information about CIBC was provided to a particular vice-president function in the ordinary course based on criteria contained in Canadian Securities Administrators Staff Notice 55-306 *Applications for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "Staff Notice").
10. CIBC has made this application to seek relief from the insider reporting requirement for individuals who meet the following criteria set out in the Staff Notice (the "Exempt VP Criteria"):
 - (a) the individual is a vice-president;
 - (b) the individual is not in charge of a principal business unit, division or function of CIBC or a "major subsidiary" of CIBC (as that term is defined in NI 55-101);
 - (c) the individual does not in the ordinary course receive or have access to information regarding material facts or material changes concerning CIBC before the material facts or material changes are generally disclosed; and
 - (d) the individual is not an insider of CIBC in any capacity other than as a vice president;
11. The Legal & Compliance Division applies the same analysis each time the board of directors appoints a new vice-president or promotes an existing vice-president. CIBC's Legal & Compliance Division will review and update CIBC's Exempt VP analysis annually.
12. If an individual who is designated as an Exempt VP no longer satisfies the Exempt VP Criteria, designated staff of the Legal & Compliance Division under the supervision of the General Counsel will ensure that the individual is

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informed about his or her renewed obligation to file an insider report on trades in securities of CIBC.

13. In connection with this application, CIBC has filed with the Decision Makers a summary of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other persons whose trading activities are restricted by CIBC.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the requirement contained in the Legislation to file insider reports shall not apply to insiders of CIBC who satisfy the Exempt VP Criteria for so long as such insiders satisfy the Exempt VP Criteria provided that:

- (a) CIBC agrees to make available to the Decision Makers, upon request, to the extent permitted by law, a list of all individuals who are relying on the exemption granted by this Decision as at the time of the request; and
- (b) the relief granted will cease to be effective on the date when NI 55-101 is amended.

Dated April 8, 2003

Howard I. Wetston

Robert L. Shirriff