



CIBC World Markets Inc.

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Attention: Stephen Nagy
Managing Director, SIES
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario, M5H 2C9

Re: Request for Comment – Proposed Amendments to CDS Fee Schedule re Entitlements & Corporate Action Events Management (the “E&CA Services”)

Canadian Imperial Bank of Commerce (“CIBC”) is a Canadian chartered bank which issues a variety of equity and interest rate linked notes and relies on CDS to efficiently provide such investment products to its investors.

CIBC appreciates the opportunity to provide input regarding the proposed amendments to the CDS fee schedule for the E&CA Services it provides (the “Fee Proposal”). CIBC acknowledges that CDS should be adequately compensated for the services it provides and is supportive of initiatives and a revised fee schedule that simplifies CDS’ pricing model, more accurately reflects the economic realities of the services it provides and recognizes the need for re-investment to ensure that CDS is able to continue to offer and improve upon its services.

That being said, consistent with CDS’ principles of efficiency, fairness and transparency, CIBC believes that the grandfathering offered to government debt securities should be uniformly applied to all issuers for all investment products deposited with CDS prior to the implementation of the new fee regime.

In addition to ensuring that all stakeholders are treated equitably, the absence of grandfathering imposes an additional cost on CIBC that it is unable to reflect in the terms of the investment products that it issued prior to the proposed implementation date. CIBC faces the same economic realities as government debt issuers. CIBC structures, sells and issues investment products on an ongoing basis, the economics of which are based on an analysis of market conditions, including cost structure, in place at the time of issuance. Existing investment products may have terms up to 10 years and pay distributions at pre-determined intervals, the frequency or quantum of which are not able to be altered or amended by CIBC after the issue date for both reputational and investor fairness considerations. While the Fee Proposal could be factored into the economic terms of any new investment products it is considering bringing to market, the new fees should not be applied retro-actively to products in existence as at November 1, 2016.

While CIBC appreciates the proposed 6-month transition period where CDS will only levy 50% of the Fee Proposal, CIBC feels that the fairness of the Fee Proposal would be enhanced and the economic impact would be more properly allocated if all issuers were to be subject to the Fee Proposal only for investment products issued following the proposed implementation date of November 1, 2016.

Alternatively, given the magnitude of the increases contained in the Fee Proposal, CIBC feels it would be more appropriate if the transition period was extended to 12 months in order to allow all issuers the time to properly analyze and assess the impact of the new fee regime on the investment products they settle through CDS.

We would be happy to discuss these comments with you at your convenience. Should you have any questions regarding this matter, please do not hesitate to contact me.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

A handwritten signature in black ink, appearing to read 'Bill Bamber', with a long horizontal flourish extending to the right.

Bill Bamber
Managing Director and Head, Wealth Solutions Group

- c: M^e Anne-Marie Beaudoin, Secrétaire générale, Autorité des marchés financiers
Manager, Market Regulation, Market Regulation Branch, Ontario Securities Commission
Doug MacKay, Manager, Market and SRO Oversight, British Columbia Securities Commission
Bruce Sinclair, Securities Market Specialist, British Columbia Securities Commission