CIBC’s Wholesale Banking Personal Trading Policy (Canada)

1. GENERAL

All CIBC employees worldwide are required to comply with the personal securities trading guidelines as set out in CIBC’s Code of Conduct.

This Wholesale Banking Personal Trading Policy (Canada) (the “Policy”) supplements CIBC’s Code of Conduct and is aimed at preventing the Canadian employees of the wholesale banking arm of CIBC (hereafter referred to as “Wholesale Banking”), as well as certain other employees designated by Institutional Compliance (collectively, “Employees”), from breaching the prohibitions against insider trading, either intentionally or inadvertently. In addition, this Policy is aimed at preventing Employees from engaging in securities trading that, although not illegal, could expose CIBC to reputation risk.

Certain business and support groups are subject to additional trading restrictions, which are set out in Appendix A. This schedule is revised periodically by Institutional Compliance to reflect organizational and other changes. Please contact Institutional Compliance if you are uncertain whether this Policy applies to you.

If and to the extent there is any inconsistency between this Policy and the CIBC Code of Conduct, this Policy shall govern.

a) Insider Trading

As a full service financial institution, CIBC and its employees routinely come into possession of inside information concerning many issuers, including clients and clients’ counterparties. For purposes of this Policy, “inside information” means non-public information that, if known, would likely influence a person’s decision to buy or sell securities of that issuer or another public issuer. Put another way, inside information means information about an issuer that, if disclosed publicly, would likely affect the price or value of its securities. Information ceases to be inside information only after it has been generally disclosed to the public or is no longer material.

It is illegal for any person or company to engage in “insider trading”, which means:

- trading in securities while in possession of inside information, that has not been generally disclosed; or

- providing any such information to others (called “tipping”), other than in the necessary course of business.¹

¹ Meaning, for example, when CIBC World Markets Inc. is acting as a financial advisor to a client in connection with a take-over bid or similar material transaction, it is permissible to exchange non-public information with our client’s counterparties to negotiate and consummate the transaction.
b) **Reputation Risk**

CIBC’s reputation affects how all our stakeholders view us and it affects every aspect of how we do business. Thus, it is paramount that any real or potential conflict of interest (including external relationships which could be seen by others as a conflict) are identified, disclosed and managed appropriately.

2. **RULES APPLICABLE TO EMPLOYEES**

a) **Employee Accounts**

All “Employee Accounts” (meaning an Employee’s own trading account(s), and account(s) of the Employee’s spouse and immediate family members living under the same roof and account(s) over which the Employee has trading authority or exercises influence or control other than in the course of his or her CIBC duties) must be maintained at CIBC Wood Gundy, CIBC Investor Services Inc., or CIBC Imperial Investor Services and coded as a "PRO account", subject to the exceptions noted below.

The Account Disclosure form is located on the Compliance intranet site within the Regional Policies, Manuals and Documents section (Canada).

It is the responsibility of each Employee to ensure that Employee Accounts are coded as "PRO accounts". Employees are required to identify all Employee Accounts to Institutional Compliance so that trading through the accounts can be monitored. Mutual fund accounts that cannot be used to trade in securities are exempt from the requirement and do not require approval.

Institutional Compliance will consider requests for approval of outside accounts. A request for an exception should be made in writing and forwarded to Institutional Compliance for consideration.

Outside accounts are generally only permitted when they are fully managed accounts, when the spouse or family member is subject to similar trading guidelines at another firm, or when the account holds non-transferable assets or investments. For managed accounts, a copy of the management agreement must accompany the request. Institutional Compliance requires copies of statements for managed accounts for monitoring purposes.

Accounts, which have already been approved by Institutional Compliance at the date this policy comes into effect, do not require re-approval. However Institutional Compliance may re-evaluate eligibility of an outside account for an exemption at any time.

While CIBC cannot require a spouse or other family member to maintain his / her trading account at CIBC, they should be strongly encouraged to do so. If a spouse or family member declines to maintain their account(s) at CIBC or to provide statements for the accounts, Institutional Compliance must be informed in writing.

Employee Accounts maintained outside Canada by a Canadian Employee must comply with the applicable CIBC compliance requirements for that jurisdiction. Institutional Compliance requires copies of statements for these accounts for monitoring purposes.
b) **Pre-clearing Trades**

All transactions in marketable securities (shares, bonds, debentures, warrants, rights and options) including transactions in CIBC securities must be pre-cleared with Compliance (1-800-863-3339).

The following securities are exempt from the pre-clearing requirement*:

- securities issued by federal, regional or local governments (or agencies thereof) including guaranteed obligations;
- short term instruments, such as certificates of deposit and guaranteed investment certificates, of financial intermediaries including life insurance companies and banks where these instruments are purchased for holding to maturity;
- bankers acceptances, corporate bonds (except high yield bonds), or commercial paper of non-financial institutions – with a residual maturity of 270 days or less;
- open ended mutual funds, segregated funds guaranteed by insurance companies or pooled funds;
- exchange traded funds [Research employees are required to pre-clear ETF’s]
- non-equity options (e.g. index options);
- foreign exchange; and
- commodity futures.

* The 15 day hold period still applies to these securities.

Trades will not be pre-cleared for marketable securities of any issuer that is on the Canadian Restricted List for trading restrictions.

Losses, which result from a declined trade, will not be absorbed by CIBC. If an employee is concerned at any time about suffering losses with respect to any securities held that are subject to a trading restriction, they should confer as soon as possible with Institutional Compliance about how to manage this risk going forward.

Pre-clearance requests should be limited to securities where the terms of the trade are such that it is reasonable to assume the trade will be executable within the pre-clearance timeframe (i.e., close of trading on the next day, or such shorter period as may be specified by Institutional Compliance).

To obtain approval, an employee is required to answer certain questions which serve to identify potential conflicts and to confirm compliance with this Policy. Normally, an approval or non-approval with respect to pre-clearance is made instantly. It is anticipated that any delay will be a rare occurrence. An approval is valid until the close of trading on the next trading day. After this time has elapsed without an order having been fully executed (such as a “good till” order), an employee must pre-clear the unfilled trade again before it is executed.

An Employee is not required to pre-clear transactions through an account of a spouse or family member as long as the Employee does not have trading authority over the account, or exercise influence or control over trading in any way. Employees should note however that Institutional Compliance is required to monitor trading for those accounts.
If an Employee has a concern that a particular securities transaction may be problematic for any reason (including a potential conflict), he or she should discuss the matter with the Employee's manager, or Institutional Compliance, prior to undertaking the trade.

Pre-clearing Violations

If an Employee trades a security without complying with the pre-clearing requirement, the trade will be cancelled or reversed by Institutional Compliance and the Employee’s manager may be informed of the violation.

If an Employee fails to pre-clear more than twice in any 12-month period, Institutional Compliance will also suspend the Employee’s trading privileges for 3 months and inform the Employee’s manager. During a suspension, an employee would be permitted to sell securities prior to the expiration of the holding period, on the basis set out in section 2 f).

If Institutional Compliance is required to reverse or cancel a trade, the employee is responsible for any trading losses and the Employee will have no entitlement to any trading gains.

In exceptional circumstances, Institutional Compliance may exercise judgment in applying these standards.

c) Prohibition on Use of Inside Information and Disclosure of Conflicts

Employees cannot use any inside information, including confidential information regarding CIBC or its clients, for personal benefit or gain. Employee transactions that may involve or appear to involve a conflict of interest between the Employee and a client, or an Employee and CIBC are prohibited, unless disclosed to and cleared in advance with Institutional Compliance.

Without limiting the foregoing, an Employee may not trade in securities of an issuer if the Employee:

- is in possession of any inside (material non-public) information about the issuer;
- has an account relationship or management responsibility (e.g., represents CIBC in a credit relationship with the issuer. This restriction does not extend to normal equity or debt trading relationships except those activities which could involve having access to market sensitive trading information such as a client or CIBC buy-back program.) with the issuer;
- is involved in a significant transaction with that issuer on behalf of CIBC; or
- has some other relationship with the issuer, either directly or through family, friends or otherwise, that could give rise to the perception of a conflict of interest or impropriety.

In considering whether you possess any inside information about an issuer, you should take into account, among other things, whether you have had any substantive contact with any of the senior management of that issuer in the preceding 90 days or whether, to your knowledge, Wholesale Banking has, in the preceding 90 days, participated in a client pitch relating to a potential material transaction involving that issuer.
If you are unsure about whether what you know about an issuer may be construed as inside information or otherwise raise a question of propriety, you should consult with your manager, Institutional Compliance or the Legal Department.

d) **Investments in Public Offerings**

Subject to certain exceptions, Employees are not permitted to invest in public offerings in which CIBC World Markets Inc. is participating.

Except with the written consent of both the CEO of CIBC World Markets Inc. and of Institutional Compliance, an Employee is not permitted to invest in new equity or debt issues in which CIBC World Markets Inc. is an underwriter. Normally, an exception would only be permitted for a widely distributed new issue by a POP issuer.

The CEO of CIBC World Markets Inc. and Institutional Compliance would not typically permit an Employee to invest in an initial public offering being underwritten by CIBC World Markets Inc. Following completion of an initial public offering underwritten by CIBC World Markets Inc., employees are restricted from trading in the securities for 7 calendar days.

These restrictions and requirements do not apply to managed accounts.

e) **Investments in Private Companies or Private Placements**

Employees must obtain approval from their manager and Institutional Compliance to invest in a private company or private placement.

Except with the written consent of both the CEO, CIBC World Markets Inc. and of Institutional Compliance, an Employee is not permitted to invest in a private placement in which CIBC World Markets Inc. is acting as an underwriter or placement agent.

Approval of the Employee’s manager and of Institutional Compliance is required before an Employee is permitted to invest in a private placement in which CIBC World Markets Inc. is not involved.

In addition, Employees are not permitted to invest in a private company if, to the employee’s knowledge, CIBC World Markets Inc. has pitched an IPO during the preceding 90 days or expects to pitch for an IPO during the succeeding 90 days.

These restrictions and requirements do not apply to managed accounts.

To seek approval of a private placement or an investment in a private company, an Outside Activities Approval Request form should be completed, approved by your manager, and submitted to Institutional Compliance for consideration. The Outside Activities Approval Request form is located on the Compliance intranet site within the Regional Policies, Manuals and Documents section (Canada).

f) **Minimum 15-day Hold Period**

Employees trading in securities for their own account must do so on an investment basis rather than for short term trading profit.
Employees must hold all securities (including equity derivatives such as options and ETF’s) that they have purchased for at least 15 calendar days from the date of the purchase. For example, a security purchased on October 1st can be sold on October 16th or later. When opening a new option position, the expiry date of the option must be at least 15 days after the trade date so that the employee is able to close out a position before expiry if need be.

An Employee may sell securities prior to the expiration of such 15-day period only if either:

- the value of the Employee’s investment in the securities has experienced an adverse price movement of 20% or more from the Employee's original purchase price of such securities, or
- the Employee receives approval from Institutional Compliance, such approval to be given only in exceptional circumstances.

A similar concept applies to short sales (i.e. an employee will not be allowed to cover a short position for 15 days following the original short sale, subject to the exceptions noted in the paragraph above).

Normally, Institutional Compliance will grant approval only in cases of financial hardship and similar extraordinary circumstances.

**g) Trading in CIBC Securities**

Employees are not permitted to buy or sell CIBC securities during blackout periods or outside the Windows (as the case may be) and are subject to trading restrictions in CIBC securities.

The following trading restrictions apply:

- Only market orders and day limit orders may be placed in CIBC securities;
- All directors, officers and employees of CIBC and its wholly owned subsidiaries are prohibited under the Bank Act (Canada) from, directly or indirectly, buying or selling a call option, put option or forward derivative contract in respect to shares of CIBC.
- All directors, officers and employees of CIBC and its wholly owned subsidiaries are prohibited under the Bank Act (Canada) from, directly or indirectly, buying or selling any other over the counter derivative product used to hedge exposure (other than foreign exchange) to shares of CIBC.
- All directors, officers and employees of CIBC and its wholly owned subsidiaries are prohibited under the Bank Act (Canada) from, directly or indirectly, short selling shares of CIBC.

The trading Blackouts and Windows are published on CIBC’s Intranet within the Governance, Control & Policies section.

The blackout periods do not apply to automatic transactions through CIBC’s equity compensation plans but do apply to a change in the level of participation in a plan.

Employees who have been designated by Institutional Compliance as “CIBC insiders” and certain other designated business and support units (i.e., Legal Department and Corporate Governance Group) are subject to additional trading limitations and may only trade in CIBC securities during the trading Windows.
Changes in the level of participation in equity compensation plans are permitted only within the Windows for employees who are subject to the Windows.

3. **Violations of the Personal Trading Policy**

Any Employee who fails to comply with the requirements set out in the Policy, including the requirement to pre-clear personal trades, or any related legal or regulatory requirement, may be subject to disciplinary action, up to and including dismissal without notice or payment in lieu of notice, depending on the severity of the situation.

4. **Penalties for Insider Trading & Tipping**

Notwithstanding approval to trade by Institutional Compliance, employees are reminded that it is an offence under criminal and securities legislation to deal and / or advise or influence others to deal in securities on the basis of Inside Information.

Violation of insider trading laws and regulations could result in conviction for an offence under the laws of most jurisdictions. Possible penalties include substantial fines, return of any profits earned as a result of use of inside information and imprisonment. Breaching these requirements may also subject an Employee to civil liability.

5. **Roles and Responsibilities**

All employees are responsible for complying with this Policy.

The Institutional Compliance Department is responsible for providing advice and guidance regarding this Policy. Employees should direct questions and feedback to the members of the Department.

The Senior Vice President, Compliance, Governance & Controls is the owner of the policy, which was approved by the Management Committee of Wholesale Banking in June 2005.

6. **Frequently Asked Questions**

Commonly asked questions on this Policy are available on the Compliance intranet site within the Regional Policies, Manuals and Documents section (Canada).
CIBC’s Wholesale Banking Personal Trading Policy (Canada)

Additional Trading Rules Applicable to Business and Support groups

**Commercial Banking segment of Business Banking, Retail Markets**
CIBC Advisory employees are prohibited from trading in securities on the CIBC Advisory Watch List. A Commercial Banking employee is prohibited from trading in securities of an issuer if the employee has an account relationship or management responsibility with the issuer.

Commercial Banking (including Oil & Gas) employees located in Calgary are prohibited from trading in securities of all Oil & Gas exploration and production companies and trusts that fall within the target market of Commercial Banking (generally defined as non-investment grade, or companies and trusts with production below 50,000 boe/d).

**Equity Research**
Equity Research Analysts are subject to additional trading restrictions in the Canadian Equity Research Policy. This policy is described on the Compliance intranet site within the Regional Policies, Manuals and Documents section (Canada).

Equity Research Editors are prohibited from trading in securities of any issuer on the Watch list.

**Investment Banking, Equity Capital Markets, Corporate Credit Products, WM Research Network, and Large Corporate Client Support Centre**
Employees are prohibited from trading in securities on the Watch List.

An employee of Corporate Credit Products is prohibited from trading in securities of an issuer if the employee has an account relationship or management responsibility with the issuer.

**Merchant Banking**
Employees are prohibited from trading in any issuer that is listed on the Merchant Banking Watch List or the Merchant Banking Prohibited List.

**Technology (Investment Banking and Corporate Centre Technology)**
Employees with access to Quantum or the Canada Control Room watch list applications are subject to the policy and prohibited from trading in securities on the Watch List.

**Operations and Other Technology (“O&T”) support groups**
Employees attached to O&T groups who work on the trading floor are subject to the Policy.

Employees attached to other O&T groups with access to confidential credit and/or trading information of clients or the firm may be required to comply with the Policy, as determined by Institutional Compliance.