



Canadian Imperial Bank of Commerce Board of Directors Independence Standards

The Board of Directors has adopted the independence standards set out in this policy. These standards are derived from the Affiliated Persons Regulations under the Bank Act (Canada), the corporate governance rules of the New York Stock Exchange and the corporate governance guidelines of the Canadian Securities Administrators.

1. COMPOSITION

A substantial majority of the Board shall be independent as set out in this policy. The Board has four committees. All members of the Audit Committee shall be independent in accordance with this policy and other criteria outlined in that committee's mandate. All members of the Management Resources and Compensation Committee; and Corporate Governance Committee shall be independent in accordance with this policy. A majority of the members of the Risk Management Committee shall be independent in accordance with this policy.

2. DETERMINATION BY BOARD

A director is considered independent only where the Board affirmatively determines that the director has no material relationship with CIBC, including as a partner, shareholder or officer of an organization that has a relationship with CIBC. A "material relationship" is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement and includes an indirect material relationship. The Board shall make a determination concerning the independence of a director each year at the time the Board approves director nominees for inclusion in CIBC's information proxy circular. Where a director joins the Board mid-year, the Board will make a determination at that time.

3. INDEPENDENCE STANDARDS

In determining whether a director is independent, the Board shall apply the standards and tests set out below.

3.1. CIBC Employment Relationship

3.1.1. General employment

A director who is, or has been within the last three years, an employee or whose spouseⁱ is currently an employee of CIBC or its subsidiaries is not independent.

3.1.2. Employment as Executive Officer

3.1.2.1. A director whose immediate family memberⁱⁱ is, or has been within the last three years, an executive officerⁱⁱⁱ of CIBC or its subsidiaries is not independent.

3.1.2.2. A director who received, or whose immediate family member received, more than the lesser of C\$75,000 or US\$100,000 in direct compensation from CIBC or any of its subsidiaries during any twelve month period within the last three years (other than compensation received by an immediate family member for service as an employee of CIBC or its subsidiaries) is not independent. Direct compensation does not include remuneration for acting as a member of the board or any board committees or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with CIBC or any of its subsidiaries if the compensation is not contingent in any way on continued service.

3.1.3. Interim Chair / CEO

Employment as an interim Chairman on a part-time basis or as an interim CEO does not disqualify a director from being independent following that employment.

3.2. Internal or External Audit Firm Relationship

3.2.1. Firm Partner

A director who is, or whose immediate family member is, a partner of a firm that is the internal or external auditor of CIBC or any of its subsidiaries is not independent.

3.2.2. Firm Employee

A director who is an employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries is not independent.

3.2.3. Audit Activities

3.2.3.1. A director whose immediate family member is an employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries and participates in such firm's audit, assurance or tax compliance (but not tax planning) practice is not independent.

3.2.3.2. A director who has been, or whose immediate family member has been, within the last three years a partner or employee of a firm that is the internal or external auditor of CIBC or any of its subsidiaries and personally worked on the audit of CIBC or a subsidiary of CIBC within that time is not independent.

3.3. Service on Other Compensation Committee

A director who is, or has been within the last three years, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another entity or company where any of CIBC's present

executive officers at the same time serve or served on that entity's or company's compensation committee is not independent.

3.4. Supplier Relationships

3.4.1. Payments to Suppliers and Other Vendors for Property and Services

3.4.1.1. A director who is an employee, or whose immediate family member is an executive officer, of a company that makes payments to, or received payments from, CIBC for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of US\$1 million or 2% of such other company's consolidated gross revenues, is not independent. Both the payments and the consolidated gross revenues to be measured are those reported in the last completed fiscal year. The look-back provision applies solely to the financial relationship between CIBC and the director or immediate family member's current employer. It is not necessary to consider former employment of the director or immediate family member.

3.4.1.2. In addition, a director who provides, or whose spouse provides goods or services to CIBC, or who is or whose spouse is, a partner, employee or person with a substantial investment^{iv} in a partnership or corporation that provides goods or services to CIBC where total annual billings to the CIBC exceed 10% of total annual billings of the director, director's spouse, partnership or corporation, as applicable, is not independent.

3.4.2. Charitable Donations

Contributions to tax exempt organizations will not be considered "payments" for the purposes of section 3.4.1.1 as long as CIBC discloses in its annual proxy circular any contributions made by it to a tax exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of US\$1 million or 2% of such tax exempt organization's consolidated gross revenues.

3.5. Lending Relationship

3.5.1. Significant Borrower

3.5.1.1. A director who is, or whose spouse is, a significant borrower^v; an officer or employee of a significant borrower; or a person who controls one or more entities, which together, would be a significant borrower, is not independent.

3.5.1.2. Loan Not in Good Standing

A director who has, or whose spouse has, a loan that is not in good standing^{vi} from CIBC its subsidiaries, or who is or whose spouse is, a director, officer, employee or person that controls an entity with a loan that is not in good standing from CIBC, is not independent.

4. IMMATERIAL RELATIONSHIPS

The Board may determine that a director is independent where there are only immaterial relationships between the director and CIBC or its subsidiaries. The relationships listed below are considered immaterial and do not affect a director's independence, unless otherwise determined by the Board for a specific director relationship. The fact that a particular relationship is not listed below does not mean that it affects the independence of a director.

4.1. Routine Banking Services

A director, his or her immediate family member or any entity the director or an immediate family member controls, receives personal banking services, extensions of credit and other financial services in the ordinary course of business from CIBC or a subsidiary, provided that such services (i) are on market terms^{vii}, (ii) are in compliance with all applicable laws including the Bank Act and the United States Sarbanes-Oxley Act of 2002, and (iii) in the case of an extension of credit, are in good standing and do not make the director a significant borrower.

4.2. Interest in Bank Sponsored Partnership or Fund

A director, his or her immediate family member or any entity the director or an immediate family member controls, has an interest in a partnership or fund which is sponsored or managed by CIBC or a subsidiary, provided that the director acquired the interest and participates in the partnership or fund on terms no more favourable to the director than the terms upon which persons who are not directors of CIBC acquired their interests and participate in the partnership or fund.

4.3. Employment of Immediate Family Member

The employment of an immediate family member of a director with CIBC or a subsidiary (provided the immediate family member is not the director's spouse or an executive officer of CIBC or a subsidiary) if the compensation and benefits received by such person were established by CIBC in accordance with the compensation policies and practices applicable to CIBC employees in comparable positions.

4.4. Other Relationships

Any relationship of the kind described in sections 3.1.2.2 or 3.4 above that does not meet the monetary threshold described in the relevant section.

These standards were reviewed and approved by the Board on May 29, 2008.

ⁱ "Spouse" includes a common law partner.

ⁱⁱ "Immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. When applying the look-back provisions, individuals who are no longer immediate family members because of legal separation or divorce, or those who have died or become incapacitated, need not be considered.

ⁱⁱⁱ "Executive officer" means a chair (other than an interim chair), vice-chair, president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of

a principal business unit, division or function (such as sales, administration, production or finance), any officer of the company or its subsidiaries who performs a policy-making function, or any other person who performs a policy-making function.

^{iv} A person has a “substantial investment” in a corporation if the person and any entities controlled by the person together beneficially own shares (i) to which are attached voting rights exceeding 10% of the voting rights attaching to outstanding voting shares of the corporation; or (ii) which represent ownership of more than 25% of the shareholders’ equity of the corporation. A person and any entities controlled by the person, has a substantial investment in an unincorporated entity where the aggregate of any ownership interests, however designated, into which the entity is divided exceeds 25% of all of the ownership interests into which the entity is divided.

^v “Significant borrower” means (i) a natural person who has indebtedness for money borrowed from CIBC or a CIBC affiliate, other than a loan secured by a mortgage on the person’s principal residence, the total principal of which exceeds 1/50 of 1% of CIBC’s regulatory capital; or (ii) an entity that has indebtedness for money borrowed from CIBC or a CIBC affiliate, the total principal of which exceeds the greater of 1/20th of 1% of CIBC’s regulatory capital and 25% of the value of the entity’s assets.

^{vi} “A loan not in good standing” means a loan in respect of which (a) any payment of principal or interest is 90 days or more overdue, (b) interest is not being accrued on the books of the lender because it is doubtful whether the principal or interest will be paid or recovered, or (c) the rate of interest is reduced by the lender because the borrower is financially weak.

^{vii} “Market terms” means terms and conditions no less favourable to CIBC, and no more favourable to the client, than are made available to members of the public in the ordinary course of CIBC’s business. Market terms include terms and conditions made available in the ordinary course of business to clients, based upon particular characteristics of those clients, including (but not limited to) creditworthiness or value of the client to the firm for other reasons.