



NOTICE OF REDEMPTION OF

NON-CUMULATIVE CLASS A PREFERRED SHARES SERIES 19

NOTICE IS HEREBY GIVEN that Canadian Imperial Bank of Commerce ("CIBC") will redeem on October 31, 2010 all of its outstanding Non-Cumulative Class A Preferred Shares Series 19 (the "Series 19 Shares") for cash. The amount paid on redemption for each such share is \$25.45 (the "Redemption Price"). All of the Series 19 Shares held by the person to whom this notice is addressed are to be redeemed.

The regular dividend for the period from August 1, 2010 to October 31, 2010 will be paid on October 28, 2010 in the amount of \$0.309375 per Series 19 Share to shareholders of record on September 28, 2010. The dividend will be paid separately from the Redemption Price.

For Canadian tax purposes, the Redemption Price per Series 19 Share you will receive upon redemption is treated as follows:

Redemption Price	\$25.45
Deemed Dividend	<u>\$ 0.45</u>
Proceeds of Disposition ⁱ⁾	\$25.00

i) Proceeds of disposition are reduced by the amount of the deemed dividend received on redemption.

You will be deemed to have received a dividend equal to the excess of the Redemption Price over the paid-up capital of the redeemed Series 19 Shares (i.e. \$25.45 less \$25.00). For purposes of determining any capital gain or capital loss to a holder who holds the Series 19 Shares as capital property, the proceeds of disposition are considered to be \$25.00, i.e. the proceeds of disposition do not include the deemed dividend. For a corporate holder, the deemed dividend may in certain circumstances be treated as proceeds of disposition.

The tax consequences of a redemption for both Canadian and non-resident holders are different from that of a sale. Holders should consult their tax advisors regarding the tax treatment to them of the deemed dividend and any capital gain or capital loss arising on the redemption of the Series 19 Shares based on their particular circumstances.

Payment of the Redemption Price (less any applicable non-resident withholding tax) will be made by CIBC on or after November 1, 2010, on presentation and surrender by the holders of certificates representing the Series 19 Shares together with a completed Letter of Transmittal at any of the offices of CIBC Mellon Trust Company or its agent set out on the reverse side of the enclosed Letter of Transmittal form. From and after October 31, 2010, the holders of Series 19 Shares will not be entitled to dividends or to exercise any rights of holders of Series 19 Shares in respect of such shares except to receive the amount paid on redemption.

DATED at Toronto, Ontario this 29th day of September, 2010.

CANADIAN IMPERIAL BANK OF COMMERCE



**REDEMPTION OF NON-CUMULATIVE CLASS A PREFERRED SHARES SERIES 19
(THE "SERIES 19 SHARES")
LETTER OF TRANSMITTAL**

This form together with your share certificate(s) should be delivered or sent by registered mail to CIBC Mellon Trust Company at one of its offices as indicated on the reverse.

If you wish receipt of your cheque by mail on November 1, 2010, this Letter of Transmittal and your share certificate(s) should be received by CIBC Mellon Trust Company by October 15, 2010.

If this Letter of Transmittal and your share certificate(s) are hand delivered to CIBC Mellon Trust Company at the office listed on the reverse by October 26, 2010 with instructions that your cheque should be held for pick-up, it will be ready on November 1, 2010 at that office.

The undersigned hereby surrenders for redemption the following certificate(s) representing Series 19 Shares at the price of \$ 25.45 per Series 19 Share:

Certificate Number	Number of Shares	Registered in the Name of

DIRECTION TO CIBC MELLON TRUST COMPANY

Please forward the cheque for the proceeds of the redemption of the Series 19 Shares represented by the above certificates as follows:

Name (Please print)	
Address	
Telephone (Business hours)	Social Insurance Number
U.S. Residents / Citizens must provide their Taxpayer Identification Number here	

Dated: _____

Signature of Shareholder

CIBC MELLON TRUST COMPANY OFFICES

For delivery by mail:

CIBC Mellon Trust Company
P.O. Box 1036
Adelaide Street Postal Station
Toronto, Ontario
M5C 2K4

For delivery by hand or courier:

CIBC Mellon Trust Company
199 Bay Street
Commerce Court West
Securities Level
Toronto, Ontario
M5L 1G9
Attention: Courier Window

Phone: (416) 643-5500
1-800-387-0825

Website: www.cibcmellon.com/InvestorInquiry

E-mail: inquiries@cibcmellon.com

Canadian Imperial Bank of Commerce reserves the right, if it so elects, in its absolute discretion, to instruct CIBC Mellon Trust Company to waive any defect or irregularity contained in any Letter of Transmittal received by it.

Share certificate(s) registered in the name of the person by whom, or on whose behalf, this Letter of Transmittal is signed need not be endorsed or accompanied by a share transfer power of attorney. Share certificate(s) not so registered must be endorsed by the registered holder thereof or be accompanied by a share transfer power of attorney duly and properly completed by the registered holder, with the signature guaranteed in either case by a Canadian Schedule 1 chartered bank, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Medallion Signature Program (MSP). The signature of the registered holder must correspond in every respect with the name of the registered holder appearing on the face of the share certificate(s).

Where the Letter of Transmittal is executed on behalf of a corporation, partnership or association or by an agent, executor, administrator, trustee, tutor, curator, guardian or any person acting in a representative capacity, the Letter of Transmittal must be accompanied by satisfactory evidence of authority to act.

For lost, stolen or destroyed share certificate(s), the Letter of Transmittal should be completed as fully as possible and forwarded to CIBC Mellon Trust Company together with a letter stating the loss. CIBC Mellon Trust Company will contact you to advise of the replacement requirements, which must be properly completed and returned prior to effecting the redemption.

Additional copies of the Letter of Transmittal may be obtained from CIBC Mellon Trust Company at any one of its addresses listed above.



CANADIAN IMPERIAL BANK OF COMMERCE ("CIBC")

Redemption of Non-Cumulative Class A Preferred Shares Series 19 (the "Series 19 Shares")

Tax Questions & Answers

The redemption of the Series 19 Shares will have various tax consequences. For Canadian-resident individual shareholders (other than trusts) who hold their Series 19 Shares as capital property for purposes of the *Income Tax Act* (Canada), this explains the general tax treatment of the redemption.

The discussion below illustrates the tax consequences that may generally be expected for such a shareholder from a redemption of the Series 19 Shares as compared to a sale before the redemption date.

These comments are provided for general informational purposes only and should not be construed as legal, tax or investment advice. You should consult your tax advisor regarding the appropriate tax treatment of this redemption in your circumstances and how this would compare to the tax treatment if you sold your Series 19 Shares prior to redemption.

What amount will be paid on redemption?

On the redemption date of October 31, 2010, holders of Series 19 Shares will receive \$25.45 per share. This is comprised of the \$25.00 original issue price plus a \$0.45 redemption premium.

Separately from the redemption amount, a dividend for the period from August 1, 2010 to October 31, 2010 will be paid on October 28, 2010 to shareholders of record on September 28, 2010. The dividend will be \$0.309375 per Series 19 Share.

How will this redemption affect my taxes?

For Canadian-resident individual shareholders, the redemption will have two tax effects:

1. a deemed dividend of \$0.45 per Series 19 Share; and
2. a capital gain or capital loss, depending on your cost of the Series 19 Shares.

Both are explained further below. The deemed dividend as well as the dividend for the period from August 1, 2010 to October 31, 2010 will be subject to the gross-up and dividend tax credit rules normally available on dividends from taxable Canadian corporations. CIBC intends to designate these dividends as eligible dividends for the purpose of the gross-up and dividend tax credit rules.

Why is there a deemed dividend?

The redemption premium is treated as a deemed dividend for tax purposes. Technically, this deemed dividend of \$0.45 is the difference between the redemption price of \$25.45 per Series 19 Share and the "paid-up capital" of \$25.00 per Series 19 Share.

Redemption price	\$25.45
Paid-up capital	<u>25.00</u>
<i>Deemed dividend per Series 19 Share</i>	\$ 0.45

On a redemption of Series 19 Shares, the *Income Tax Act* (Canada) deems a shareholder to have received a dividend where the redemption price exceeds the paid-up capital of the redeemed shares at the time of redemption. The paid-up capital of \$25.00 is the amount that CIBC received per Series 19 Share at the time that the Series 19 Shares were issued.

Certain “eligible dividends” paid by corporations resident in Canada are eligible for an enhanced gross-up and dividend tax credit if the dividend recipient receives written notice from the paying corporation designating the dividend as an “eligible dividend”. **CIBC intends to provide the required notice in respect of the deemed dividend.**

How is the capital gain or loss calculated?

On redemption, you will dispose of your Series 19 Shares for tax purposes. In addition to the deemed dividend discussed above, this disposition may also give rise to a capital gain or loss, depending on the cost of your Series 19 Shares for tax purposes (the “adjusted cost base”). The capital gain or loss is determined by calculating the difference between your proceeds of disposition and your cost (i.e., adjusted cost base) of the redeemed Series 19 Shares. Your proceeds of disposition will be \$25.00 per Series 19 Share which is the redemption price (\$25.45) less the deemed dividend (\$0.45).

Assuming that your Series 19 Shares were purchased at \$27.00 or \$24.00 per Series 19 Share including acquisition costs, (e.g., brokerage commissions) the capital gain/loss will be calculated as follows:

	<u>Loss</u>	<u>Gain</u>
Proceeds of disposition	\$25.00	\$25.00
Less adjusted cost base	<u>27.00</u>	<u>24.00</u>
<i>Capital gain/(loss) per share</i>	\$ (2.00)	\$ 1.00

Generally, one-half of a capital loss (an “allowable capital loss”) is deductible only against one-half of capital gains (“taxable capital gains”) in accordance with the detailed provisions of the *Income Tax Act* (Canada). An allowable capital loss may only be claimed against taxable capital gains realized in that year, any future year, or one of the three preceding years. An allowable capital loss cannot be deducted from other income including dividends or deemed dividends.

What if I bought my Series 19 Shares as part of the initial issue on March 26, 1998?

If you bought your shares at \$25.00 per Series 19 Share as part of the initial issue on March 26, 1998, you will receive a deemed dividend of \$0.45 and your capital gain / loss will be zero.

What if I sell my Series 19 Shares before the redemption date?

IF YOU SELL YOUR SERIES 19 SHARES TO A THIRD PARTY BEFORE OCTOBER 31, 2010, YOU WILL REALIZE A CAPITAL GAIN OR LOSS, WITH NO DEEMED DIVIDEND. YOUR PROCEEDS OF DISPOSITION WILL BE THE SALE PRICE OF THE SHARES (NET OF ANY DISPOSITION COSTS, E.G., BROKERAGE COMMISSIONS).

You should note that the effective rate of income tax applicable to a capital gain realized by an individual will generally be slightly lower than that applicable to a dividend received or deemed to have been received by such individual. For example, an individual resident in Ontario subject to a marginal income tax rate of 46.4%,¹ would generally be subject to an effective tax rate of 26.6%² for dividends eligible for the enhanced dividend tax credit (discussed above) and an effective tax rate of 23.2% on capital gains realized (not taking into account transaction costs).

¹ This represents the top combined federal/provincial marginal income tax rate for an Ontario-resident individual for 2010.

² This represents the net tax on “eligible dividends” for an Ontario-resident individual for dividends received in 2010.

Furthermore, in the event that redemption would result in an allowable capital loss that may only be claimed against taxable capital gains, you may wish to consult your tax advisor as to whether it is preferable for you to sell your Series 19 Shares rather than have them redeemed. If you elect to sell your Series 19 Shares, you should consult your broker well in advance of the redemption date to allow sufficient time for the transaction to settle prior to the redemption date. The chart below illustrates the general income tax consequences to an individual subject to a 46.4% marginal income tax rate as between a redemption and sale of a Series 19 Share for \$25.45 in circumstances where the individual's cost of the Series 19 Share was \$23.00, \$25.00 or \$27.00. **This chart assumes that the deemed dividend received by shareholders on the redemption will be an "eligible dividend" and therefore qualify for the enhanced dividend tax credit.**

Per Share	Cost = \$25.00		Cost = \$23.00		Cost = \$27.00	
	Redemption	Sale	Redemption	Sale	Redemption	Sale
Redemption Price	\$25.45		\$25.45		\$25.45	
Paid-Up Capital	<u>25.00</u>		<u>25.00</u>		<u>25.00</u>	
Deemed Dividend	\$ 0.45		\$ 0.45		\$ 0.45	
Proceeds of Disposition (as adjusted by deemed dividend)	\$25.00	\$25.45	\$25.00	\$25.45	\$25.00	\$25.45
Adjusted Cost Base	<u>25.00</u>	<u>25.00</u>	<u>23.00</u>	<u>23.00</u>	<u>27.00</u>	<u>27.00</u>
Capital Gain (Loss)	Nil	\$ 0.45	\$ 2.00	\$ 2.45	(\$2.00)	(\$1.55)
Tax on Deemed Dividend	\$0.12	N/A	\$0.12	N/A	\$0.12	N/A
Tax on Capital Gain (Tax Savings on Capital Loss) ³	Nil	\$0.10	\$0.46	\$0.57	(\$0.46)	(\$0.36)
Total Income Tax ⁴	\$0.12	\$0.10	\$0.58	\$0.57	(\$0.34) ⁵	(\$0.36) ⁵

³ Note that allowable capital losses may be claimed only against taxable capital gains.

⁴ Excludes tax applicable to regular dividend payable to shareholders of record on September 28, 2010.

⁵ Assumes that individual has sufficient capital gains against which the capital losses generated on redemption may be claimed.