



# Imperial Canadian Equity Pool

## Annual Management Report of Fund Performance

for the financial year ended December 31, 2015

*All figures are reported in Canadian dollars unless otherwise noted.*

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. If you have not received a copy of the annual financial statements with this annual management report of fund performance, you can get a copy of the annual financial statements at your request, and at no cost, by calling us toll-free at 1-888-357-8777, by writing to us at CIBC, 18 York Street, Suite 1300, Toronto, Ontario, M5J 2T8, or by visiting [www.cibc.com/mutualfunds](http://www.cibc.com/mutualfunds) or the SEDAR website at [www.sedar.com](http://www.sedar.com).

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

### Management Discussion of Fund Performance

#### Investment Objective and Strategies

**Investment Objective:** Imperial Canadian Equity Pool (the *Pool*) seeks to provide long-term growth through capital appreciation by investing primarily in equity securities of Canadian issuers including preferred shares, warrants, securities convertible into equity securities, and other common share equivalents.

**Investment Strategies:** The Pool invests primarily in high-quality small-, medium-, and large-capitalization Canadian corporations and exchange-traded funds (*ETFs*) in order to achieve its investment objectives and employs a combination of investment styles that may include growth, value, core, income-generating, and passive strategies when making investment decisions.

#### Risk

The Pool is a Canadian equity fund that is suitable for medium- to long-term investors who can tolerate medium investment risk.

For the period ended December 31, 2015, the Pool's overall level of risk remains as discussed in the simplified prospectus.

#### Results of Operations

CIBC Asset Management Inc. (*CAMI* or the *Portfolio Advisor*), Connor, Clark & Lunn Investment Management Limited (*CC&L*) and Foyston, Gordon & Payne Inc. (*FGP*) provide investment advice and investment management services to the Pool. *CAMI*, *CC&L* and *FGP* use different investment styles and the percentage of the Pool allocated to them will change from time to time.

Until March 31, 2015, the percentage of the Pool allocated to each portfolio sub-advisor was:

- *CAMI* – Canadian Equity Core, approximately 30%
- *CAMI* – Canadian Equity Value, approximately 30%
- *CC&L* – Canadian Equity Growth, approximately 30%
- *CC&L* – Canadian Equity Growth at a Reasonable Price, approximately 10%

Effective April 1, 2015, the percentage of the Pool allocated to each portfolio sub-advisor was:

- *CAMI* – Canadian Equity Core, approximately 30%
- *CAMI* – Canadian Equity Value, approximately 30%
- *CC&L* – Canadian Equity Growth, approximately 30%
- *CC&L* – Canadian Equity Growth at a Reasonable Price, approximately 5%
- *FGP* – Canadian Equity Traditional Growth, approximately 5%

The commentary that follows provides a summary of the results of operations for the period ended December 31, 2015. All dollar figures are expressed in thousands, unless otherwise indicated.

The Pool's net asset value increased by 10% during the period, from \$2,004,464 as at December 31, 2014 to \$2,203,014 as at December 31, 2015. Net sales of \$390,395 in the period, which included purchases of \$179,226 due to rebalancing of a portfolio product that holds units of the Pool, were partially offset by negative investment performance, resulting in an overall increase in net asset value.

Class A units of the Pool posted a return of -8.4% for the period. The Pool's primary benchmark, the S&P/TSX Composite Index (the *benchmark*), returned -8.3% for the same period. The Pool's return is after the deduction of fees and expenses, unlike the benchmark.

Global economic growth remained slow throughout the period. Two key factors weighing on the global economic outlook were concerns related to China's economic growth and U.S. Federal Reserve Board (*Fed*) policy. This resulted in lower commodity prices, which were further exacerbated by the strengthening U.S. dollar.

Concerns about a slowdown in global growth contributed to uncertainty and increased market volatility, particularly during the second half of the year. The significant equity market decline that occurred in August was widespread, affecting almost all global equity markets, sectors and stocks, and signalled an overall reduction in

investors' appetite for higher-risk assets. Stock price return correlations, a measure of the degree to which stock prices move together, temporarily spiked and reached levels rarely seen in the last 20 years. Mid-cycle, growth-oriented securities outperformed during the year, while late-cycle, industrial commodity-oriented securities significantly underperformed.

U.S. policymakers made comments about pharmaceutical pricing, which was a key factor in the significant underperformance of the Canadian health care sector, and the sector's largest-weighted stock, Valeant Pharmaceuticals International Inc. (*Valeant*). The energy and materials sectors were the worst performing sectors in the Canadian equity market, and bank stock price performance reflected ongoing concerns about energy- and housing-related risks to the Canadian economy and bank loan portfolios.

In the Canadian Equity Core component of the Pool, stock selection in the materials, consumer discretionary and industrials sectors contributed significantly to performance. A moderate overweight allocation to the outperforming consumer discretionary sector and moderate underweight exposure to the underperforming materials sector also contributed. Individual contributors to performance included Agrium Inc. (*Agrium*), Aecon Group Inc. (*Aecon*) and CCL Industries Inc. (*CCL Industries*).

Aecon benefited from a few major contracts, which resulted in a marked improvement in its backlog. CCL Industries is a high-quality company with increasing profitability. Agrium was one of the few stocks in the materials sector that posted strong performance in 2015. Its stable and predictable retail network helped offset volatility in its underlying fertilizer commodity business.

Stock selection in the information technology, financials and utilities sectors detracted from performance. Individual detractors, which all had a moderate impact on performance, included HudBay Minerals Inc. (*HudBay*), Paramount Resources Ltd. (*Paramount*) and TransAlta Corp. (*TransAlta*). HudBay was negatively affected by low base metal prices. Paramount's debt levels and growth concerns became more of a focus as energy prices fell. TransAlta struggled with weakness in Alberta and pessimism surrounding coal assets.

CAMI eliminated its holdings in Paramount, MEG Energy Corp. and Tourmaline Oil Corp. to reduce exposure to lower-quality energy sector producers.

In the Canadian Equity Value component of the Pool, a slight overweight allocation to the outperforming telecommunication services sector contributed to performance, as did significantly underweight exposures to gold stocks and life insurance companies. Life insurance companies posted gains over the period, while gold stocks struggled with lower commodity prices. Individual contributors included an overweight allocation to Sun Life Financial Inc. and underweight allocation to Enbridge Inc. (*Enbridge*). A significant underweight exposure to the outperforming consumer staples sector detracted significantly from performance. Significant individual detractors included overweight allocations to TransAlta and Teck Resources Ltd. (*Teck Resources*). TransAlta was negatively affected by weaker power prices, economic uncertainty due to lower energy prices, and

regulatory risk associated with Alberta's new NDP government. Uncertainty around China's growth and continued the strength of the U.S. dollar resulted in continued weakness in commodity prices. Lower commodity prices negatively affected stocks such as Teck.

CAMI added holdings in Enbridge and Empire Co. Ltd. (*Empire*). Enbridge's stock price declined over 25% from recent highs. The company has quality assets, an improved valuation and an above-average dividend yield. Empire's stock price declined following weaker-than-expected operating results as a result of an acquisition. Existing holdings in Canadian National Railway Co., TransCanada Corp. (*TransCanada*) and Magna International Inc. were increased to take advantage of market volatility to add to core holdings at attractive prices. Power Corp. of Canada was eliminated, and Suncor Energy Inc. (*Suncor*) and Agrium were trimmed, as rising stock prices led to less attractive valuations.

In the Canadian Equity Growth component, stock selection in the materials sector was the largest contributor to performance, as a result of large overweight holdings in gold companies and avoiding the steep declines in a number of diversified mining companies. Stock selection in the energy sector also contributed to performance, particularly a bias toward larger-capitalization stocks. A large overweight exposure to the information technology and a modest overweight exposure to the consumer staples sectors (the top-performing sectors), and large underweight exposure to the energy sector, contributed to performance.

The most significant individual contributor to performance was an overweight allocation to Suncor, which outperformed its peers. An overweight allocation to gold company Franco-Nevada Corp. also contributed to performance as the stock provided a double-digit return as a result of its royalty-driven business model, which benefited as declining gold prices compressed margins for gold producers.

A modest underweight allocation to telecommunication services stocks significantly detracted from performance, as did a slight overweight exposure to the materials sector. A slight overweight allocation to the health care sector detracted modestly from performance, as the sector's return was dominated by the performance of Valeant.

Individual detractors from performance included holdings in Sierra Wireless Inc. (*Sierra Wireless*), Concordia Healthcare Corp. (*Concordia*) and Jean Coutu Group (PJC) Inc. (*Jean Coutu*). Sierra Wireless' growth outlook weakened, while Concordia's growth prospects deteriorated and risk increased. Jean Coutu's stock growth outlook weakened throughout the year, although its valuation became more appealing.

During the period, CC&L purchased Agrium based on the company's improved outlook as a result of its exposure to countries that are performing well. An existing holding in Brookfield Asset Management Inc. was increased for the company's positive growth prospects. Concordia was eliminated as a result of declining prospects at the stock and sector level, and TransCanada was trimmed because of the company's deteriorating outlook.

In the CC&L Canadian Equity Growth at a Reasonable Price component, security selection in the energy, financials, consumer

discretionary and information technology sectors contributed to performance. A large underweight allocation to the materials sector, slight overweight allocation to the consumer staples and telecommunication services sectors, and moderate overweight allocation to the information technology sector also contributed. Significant individual contributors included an overweight allocation to Colliers International Group Inc. (*Colliers International*) and holdings in Parex Resources Inc. (*Parex*). Colliers International benefited from corporate restructuring, while Parex benefited from low production costs and a strong balance sheet.

Security selection in the materials sector was a significant detractor from performance. A slight underweight exposure to the health care and moderate underweight exposure to the financials sectors detracted from performance as did a slight overweight allocation to the energy sector. Eldorado Gold Corp. detracted from performance as it struggled with a changing political landscape in Greece, where a number of its development projects are based.

CC&L purchased Winpak Ltd., as it is expected to benefit from the U.S. economic recovery. Existing holding DH Corp. was increased as the company made another acquisition announcement in March. The sub-advisor exited Capital Power Corp. as Alberta power prices came under pressure, and trimmed Constellation Software Inc., after its strong share price performance.

In the FGP Canadian Equity Traditional Growth component, a significant underweight allocation to the weakened energy sector significantly contributed to performance. Security selection in the materials sector also contributed, as did a slight underweight exposure to the metals and mining sub-sector and a large overweight exposure to forestry stocks. Stock selection and a large overweight allocation to the consumer staples sector also contributed, as investors moved toward the perceived safety of consumer staples stocks. Individual contributors included AGT Food and Ingredients Inc. (*AGT Food*), Western Forest Products Inc. (*Western Forest Products*) and Intertape Polymer Group Inc. (*Intertape*).

AGT Food, which makes pulses, benefited from substitution demand as the price of animal proteins continued to rise. Western Forest Products benefited from strong operating performance, exposure to a weakening Canadian dollar and an improving balance sheet. Intertape's share price rose after two hedge funds proposed measures to increase the company's market value.

Stock selection in the utilities sector significantly detracted from relative performance. Individual detractors from performance included PHX Energy Services Corp. (*PHX*), ATCO Ltd. (*ATCO*) and Sherritt International Corp. (*Sherritt*). PHX struggled with weakness in the energy sector, while Sherritt struggled with weak commodity prices. ATCO reported weaker-than-expected earnings.

FGP purchased new holdings in Canexus Corp. (*Canexus*) and Dream Office REIT (*Dream REIT*). Canexus's new management is focused on improving operating efficiencies and strengthening its balance sheet. Dream REIT was purchased for income and protection in a lower interest rate environment.

The sub-advisor sold Molson Coors Brewing Co. and Celestica Inc. after both stocks posted strong gains and reached the sub-advisor's estimate of fair value. Uni-Select Inc. was sold subsequent to an unsolicited offer for the company's U.S. car parts operations, which drove its share price higher. AGT Food was trimmed on share price strength.

### **Recent Developments**

On April 1, 2015, FGP was added as one of the portfolio sub-advisors to the Pool. CAMI and CC&L will continue to provide portfolio management services to the Pool.

### **Related Party Transactions**

Canadian Imperial Bank of Commerce (CIBC) and its affiliates have the following roles and responsibilities with respect to the Pool, and receive the fees described below in connection with their roles and responsibilities.

#### *Manager*

CIBC is the Manager of the Pool. CIBC receives management fees with respect to the day-to-day business and operations of the Pool. The Pool pays the Manager a maximum annual management fee rate of 0.25% of the net asset value of the Pool, as described in the section entitled *Management Fees*.

#### *Trustee*

CIBC Trust Corporation (*CIBC Trust*), a wholly-owned subsidiary of CIBC, is the trustee (the *Trustee*) of the Pool. The Trustee holds title to the property (cash and securities) of the Pool on behalf of its unitholders.

#### *Portfolio Advisor*

The portfolio advisor provides, or arranges to provide, investment advice and portfolio management services to the Pool. CAMI, a wholly-owned subsidiary of CIBC, is the portfolio advisor of the Pool.

#### *Discretionary Managers*

As at the date of this report, units of the Pool are offered through discretionary investment management services provided by certain subsidiaries of CIBC (collectively, the *Discretionary Managers*). The Discretionary Managers may include CIBC Trust and CAMI. The Discretionary Managers arrange to purchase, switch, and redeem units of the Pool on behalf of their clients who have entered into discretionary investment management agreements with one of the Discretionary Managers. The Discretionary Managers are the registered unitholders of the Pools for the purposes of receiving all unitholder materials and having the right to vote all proxies with respect to units of the Pool. Units of the Pool are also offered to investors in connection with certain products offered by affiliated dealers pursuant to the terms of the account agreements governing such products. There are no compensation arrangements with these dealers in respect of the sale of units of the Pool. However, CIBC Trust receives fees from its clients for offering discretionary management services and, from these fees, CIBC Trust may pay affiliated dealers and other CIBC members for services provided in

connection with the client's discretionary investment managed account, which may hold units of the Pool.

CIBC receives fees from CIBC Trust for the services of CIBC advisors that assist investors with opening discretionary investment management accounts where CIBC Trust acts as the Discretionary Manager and for acting as the investors' ongoing relationship manager. CIBC is responsible for the remuneration of the CIBC advisors and may pay the CIBC advisors out of such fees. Further details of the arrangement between CIBC and CIBC Trust may be found in the discretionary investment management agreement between CIBC Trust and investors. CAMI receives fees from their clients for offering discretionary investment managed accounts, which may hold units of the Pool, and may pay a portion of such fees to their investment counsellors.

#### *Brokerage Arrangements and Soft Dollars*

The Portfolio Advisor and any portfolio sub-advisors make decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities, certain derivative products (including futures) and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor and any portfolio sub-advisors to CIBC World Markets Inc. (CIBC WM) and CIBC World Markets Corp., each a subsidiary of CIBC. CIBC WM and CIBC World Markets Corp. may also earn spreads on the sale of fixed income and other securities and certain derivative products (including forwards) to the Pool. A spread is the difference between the bid and ask prices for a security in the applicable marketplace, with respect to the execution of portfolio transactions. The spread will differ based upon various factors such as the type and liquidity of the security.

Dealers, including CIBC WM and CIBC World Markets Corp., may furnish goods and services, other than order execution, to the Portfolio Advisor and any portfolio sub-advisors in partial exchange for processing trades through them (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of the brokerage commissions and assist the Portfolio Advisor and any portfolio sub-advisors with investment decision-making services for the Pool or relate directly to the execution of portfolio transactions on behalf of the Pool. As per the terms of the portfolio sub-advisory agreement, such soft dollar arrangements are in compliance with applicable laws.

In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Pool. Any commission recaptured will be paid to the Pool.

During the period, the Pool paid brokerage commissions and other fees of \$352,154 to CIBC WM; the Pool did not pay any brokerage commissions or other fees to CIBC World Markets Corp. Spreads associated with fixed income and other securities are not ascertainable and, for that reason, cannot be included when determining these amounts.

#### *Pool Transactions*

The Pool may enter into one or more of the following transactions (the *Related Party Transactions*) in reliance on the standing instructions issued by the Independent Review Committee (*IRC*):

- invest in or hold equity securities of CIBC or issuers related to a portfolio sub-advisor;
- invest in or hold non-exchange-traded debt securities of CIBC or an issuer related to CIBC in a primary offering and in the secondary market;
- invest in or hold debt securities of CIBC or issuers related to a portfolio sub-advisor purchased in the secondary market;
- make an investment in the securities of an issuer for which CIBC WM, CIBC World Markets Corp., or any affiliate of CIBC (a *Related Dealer*) acts as an underwriter during the offering of the securities at any time during the 60-day period following the completion of the offering of such securities (in the case of a "private placement" offering, in accordance with the exemptive relief order granted by the Canadian securities regulatory authorities and in accordance with the policies and procedures relating to such investment);
- purchase equity or debt securities from or sell them to a Related Dealer, where it is acting as principal;
- undertake currency and currency derivative transactions where a Related Dealer is the counterparty; and
- purchase securities from or sell securities to another investment fund or a managed account managed by the Manager or an affiliate of the Manager.

At least annually, the IRC reviews the Related Party Transactions for which they have issued standing instructions. The IRC is required to advise the Canadian securities regulatory authorities if it determines that an investment decision was not made in accordance with conditions of its approval.

#### *Custodian*

CIBC Mellon Trust Company is the custodian of the Pool (the *Custodian*). The Custodian holds all cash and securities for the Pool and ensures that those assets are kept separate from any other cash or securities that the Custodian might be holding. The Custodian also provides other services to the Pool including record-keeping and processing of foreign exchange transactions. The Custodian may hire sub-custodians for the Pool. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions initiated by CAMI as the Portfolio Advisor are paid by CAMI and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading by CAMI on behalf of the Pool during that month. All other fees and spreads for the services of the Custodian are paid by the Manager and charged to the Pool on a recoverable basis. CIBC owns a 50% interest in the Custodian.

*Service Provider*

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Pool, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing fees are paid by the Manager and charged to the Pool on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

## Imperial Canadian Equity Pool

### Financial Highlights

The following tables show selected key financial information about the Pool and are intended to help you understand the Pool's financial performance for the period ended December 31.

#### The Pool's Net Assets per Unit<sup>1</sup> - Class A Units

	2015	2014	2013	2012	2011
<b>Net Assets, beginning of period</b>	\$ 23.84	\$ 24.19	\$ 20.64	\$ 19.51	\$ 23.51
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.68	\$ 0.69	\$ 0.65	\$ 0.50	\$ 0.65
Total expenses	(0.08)	(0.07)	(0.04)	(0.02)	(0.02)
Realized gains (losses) for the period	0.23	1.27	0.49	0.21	1.55
Unrealized gains (losses) for the period	(2.95)	(0.45)	3.13	1.19	(3.92)
<b>Total increase (decrease) from operations<sup>2</sup></b>	\$ (2.12)	\$ 1.44	\$ 4.23	\$ 1.88	\$ (1.74)
<b>Distributions:</b>					
From income (excluding dividends)	\$ –	\$ –	\$ –	\$ –	\$ –
From dividends	0.54	0.62	0.60	0.45	0.63
From capital gains	0.38	1.21	–	0.27	1.58
Return of capital	–	–	–	–	–
<b>Total Distributions<sup>3</sup></b>	\$ 0.92	\$ 1.83	\$ 0.60	\$ 0.72	\$ 2.21
<b>Net Assets, end of period</b>	\$ 20.93	\$ 23.84	\$ 24.19	\$ 20.61	\$ 19.51

<sup>1</sup> This information is derived from the Pool's audited annual financial statements. The Pool adopted International Financial Reporting Standards (*IFRS*) on January 1, 2014. Previously, the Pool prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles (*GAAP*) as defined in Part V of the CPA Canada Handbook. Under Canadian GAAP, the Pool measured fair values of its investments in accordance with CICA Handbook Section 3855 which required the use of bid prices for long positions and ask prices for short positions. As such, the net assets per unit figure presented in the financial statements may differ from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the financial statements issued prior to January 1, 2014. Upon adoption of IFRS, the Pool measures the fair value of its investments by using the close market prices, where the close market price falls within the bid-ask spread. As such, the Pool's accounting policies for measuring the fair value of investments in the financial statements are consistent with those used in measuring the net asset value for transactions with unitholders. Accordingly, the opening net asset figure as at January 1, 2013 was restated to reflect accounting policy adjustments made in accordance with IFRS. All figures presented for periods prior to January 1, 2013 were prepared in accordance with Canadian GAAP and subsequent thereto were prepared in accordance with IFRS.

<sup>2</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

<sup>3</sup> Distributions were paid in cash, reinvested in additional units of the Pool, or both.

#### Ratios and Supplemental Data - Class A Units

	2015	2014	2013	2012	2011
<b>Total Net Asset Value (000s)<sup>4</sup></b>	\$ 2,203,014	\$ 2,004,464	\$ 1,729,955	\$ 1,378,145	\$ 1,217,254
<b>Number of Units Outstanding<sup>4</sup></b>	105,274,223	84,062,755	71,521,387	66,760,536	62,266,479
<b>Management Expense Ratio<sup>5</sup></b>	0.17%	0.15%	0.10%	0.10%	0.10%
<b>Management Expense Ratio before waivers or absorptions<sup>5</sup></b>	0.32%	0.33%	0.34%	0.35%	0.35%
<b>Trading Expense Ratio<sup>7</sup></b>	0.16%	0.11%	0.09%	0.12%	0.18%
<b>Portfolio Turnover Rate<sup>8</sup></b>	69.15%	47.39%	37.65%	54.95%	80.75%
<b>Net Asset Value per Unit</b>	\$ 20.93	\$ 23.84	\$ 24.19	\$ 20.64	\$ 19.55

<sup>4</sup> This information is presented as at December 31 of the period(s) shown.

<sup>5</sup> Management expense ratio is based on the total expenses of the pool (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period.

<sup>6</sup> The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders.

<sup>7</sup> The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation.

<sup>8</sup> The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Management Fees

The Pool, either directly or indirectly, pays an annual management fee to CIBC to cover the costs of managing the Pool. Management fees are based on the net asset value of the Pool and are calculated daily and paid monthly. Management fees are paid to CIBC in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. Advertising and promotional expenses, office overhead expenses, trailing commissions, and the fees of the portfolio sub-advisor(s) are paid by CIBC out of the management fees received from the Pool. The Pool is required to pay applicable taxes on the management fees paid to CIBC. Refer to the Simplified Prospectus for the maximum annual management fee rate.

For the period ended December 31, 2015, 100% of the management fees collected from the Pool was attributable to general administration, investment advice, and profit.

## Past Performance

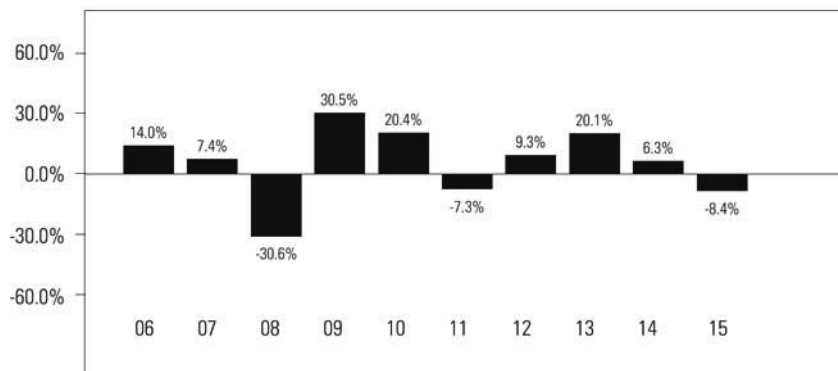
The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or other optional charges payable by any unitholder that would have reduced returns. Past performance does not necessarily indicate how a fund will perform in the future.

The Pool's returns are after the deduction of fees and expenses. See the section entitled Financial Highlights for the management expense ratio.

## Year-by-Year Returns

The bar chart shows the annual performance of the Pool for each of the periods shown, and illustrates how the performance has changed from period to period. The bar chart shows, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31, unless otherwise indicated.

Class A Units



## Annual Compound Returns

This table shows the annual compound return of each class of units of the Pool for each indicated period ended on December 31, 2015. The annual compound total return is also compared to the Pool's benchmark(s).

The Pool's primary benchmark is the S&P/TSX Composite Index.

The Pool's blended benchmark (*Blended Benchmark*) is comprised of the following:

- 90% S&P/TSX Composite Index
- 10% S&P/TSX Small Cap Index

## Imperial Canadian Equity Pool

	1 Year	3 Years	5 Years	10 Years*	or Since Inception*	Inception Date
Class A units	-8.4%	5.4%	3.5%	4.7%		October 15, 1998
S&P/TSX Composite Index	-8.3%	4.6%	2.3%	4.4%		
Blended Benchmark	-8.2%	4.1%	1.6%	4.1%		

\* If a class of units has been outstanding for less than 10 years, the annual compound return since inception is shown.

**S&P/TSX Composite Index** is intended to represent the Canadian equity market and includes the largest companies listed on the TSX.

**S&P/TSX Small Cap Index** is intended to represent the Canadian small cap market and includes common stock and income trust units.

A discussion of the relative performance of the Pool compared to its primary benchmark(s) can be found in *Results of Operations*.



## Imperial Canadian Equity Pool

### Summary of Investment Portfolio (as at December 31, 2015)

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available by visiting [www.cibc.com/mutualfunds](http://www.cibc.com/mutualfunds). The Top Positions table shows a fund's 25 largest positions. For funds with fewer than 25 positions in total, all positions are shown. Cash and cash equivalents are shown in total as one position.

<i>Portfolio Breakdown</i>	<i>% of Net Asset Value</i>	<i>Top Positions</i>	<i>% of Net Asset Value</i>
Financials	36.4	Toronto-Dominion Bank (The)	5.6
Energy	15.6	Royal Bank of Canada	5.2
Materials	9.4	Cash & Cash Equivalents	4.5
Industrials	9.0	Canadian National Railway Co.	3.8
Consumer Discretionary	7.9	Manulife Financial Corp.	3.4
Consumer Staples	4.9	Suncor Energy Inc.	3.2
Information Technology	4.9	Bank of Nova Scotia	3.1
Cash & Cash Equivalents	4.5	Canadian Imperial Bank of Commerce	3.1
Telecommunication Services	4.3	Sun Life Financial Inc.	3.0
Utilities	1.7	TransCanada Corp.	2.4
Health Care	1.7	Canadian Natural Resources Ltd.	2.4
Other Assets, less Liabilities	-0.3	Brookfield Asset Management Inc., Class 'A'	2.2
		Magna International Inc., Class 'A'	2.2
		Alimentation Couche-Tard Inc., Class 'B'	1.9
		Bank of Montreal	1.8
		TELUS Corp.	1.7
		Agrium Inc.	1.7
		CGI Group Inc., Class 'A'	1.5
		BCE Inc.	1.4
		Element Financial Corp.	1.4
		Valeant Pharmaceuticals International Inc.	1.3
		Franco-Nevada Corp.	1.1
		Rogers Communications Inc., Class 'B'	1.1
		Cenovus Energy Inc.	1.1
		CCL Industries Inc., Class 'B'	0.9

The management report of fund performance may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or other similar wording. In addition, any statements that may be made concerning future performance, strategies, or prospects and possible future actions taken by the fund, are also forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results and achievements of the fund to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market, and business conditions; fluctuations in securities prices, interest rates, and foreign currency exchange rates; changes in government regulations; and catastrophic events. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise prior to the release of the next management report of fund performance.

---

**Imperial Pools**

**CIBC**

18 York Street, Suite 1300  
Toronto, Ontario  
M5J 2T8

1-888-357-8777

**Website**

[www.cibc.com/mutualfunds](http://www.cibc.com/mutualfunds)

