Interim Financial Reports (unaudited)

for the period ended June 30, 2017

Statements of Financial Position (unaudited) (in 000s, except per unit amounts)

As at June 30, 2017 and December 31, 2016 (note 1)

		June 30, 2017		December 31, 2016
Assets				
Current assets				
Investments (non-derivative financial assets) † (notes 2 and 3)	$	**71,815**	$	61,532
Cash including foreign currency holdings, at fair value		**487**		77
Dividends receivable		**297**		208
Receivable for portfolio securities sold		**218**		–
Receivable for units issued		**207**		2
Total Assets		**73,024**		61,819
Liabilities				
Current liabilities				
Payable for portfolio securities purchased		**6**		–
Payable for units redeemed		**84**		13
Other accrued expenses		**–**		42
Total Liabilities		**90**		55
Net Assets Attributable to Holders of Redeemable Units (note 5)	$	**72,934**	$	61,764
Net Assets Attributable to Holders of Redeemable Units per Class				
Class A	$	**54,430**	$	51,371
Premium Class	$	**12,482**	$	8,288
Institutional Class	$	**6,022**	$	2,105
Net Assets Attributable to Holders of Redeemable Units per Unit (note 5)				
Class A	$	**11.18**	$	10.01
Premium Class	$	**16.64**	$	14.84
Institutional Class	$	**12.34**	$	10.99

† Securities Lending

The tables that follow indicate the Fund had assets involved in securities lending transactions outstanding as at June 30, 2017 and December 31, 2016.

	Aggregate Value of Securities on Loan ($000s)	Aggregate Value of Collateral for Loan ($000s)
June 30, 2017	5,872	6,407
December 31, 2016	4,177	4,573

Collateral Type* ($000s)

	i	ii	iii	iv
June 30, 2017	–	6,407	–	–
December 31, 2016	–	4,573	–	–

* See note 2j for Collateral Type definitions.

Organization of the Fund (note 1)

The Fund was established on August 12, 1998 (*Date Established*).

	Inception Date
Class A	September 22, 1998
Premium Class	January 16, 2012
Institutional Class	October 10, 2013

Statements of Comprehensive Income (unaudited) (in 000s, except per unit amounts)

For the periods ended June 30, 2017 and 2016 (note 1)

		June 30, 2017		June 30, 2016
Net Gain (loss) on Financial Instruments				
Dividend revenue		**1,895**		1,733
Derivative income (loss)		**(15)**		(17)
Other changes in fair value of investments and derivatives				
Net realized gain (loss) on sale of investments and derivatives		**1,199**		(355)
Net realized gain (loss) on foreign currency (notes 2f and g)		**15**		16
Net change in unrealized appreciation (depreciation) of investments and derivatives		**4,771**		(8,244)
Net Gain (loss) on Financial Instruments ±		**7,865**		(6,867)
Other Income				
Foreign exchange gain (loss) on cash		**(2)**		(13)
Securities lending revenue ±±		**25**		14
		23		1
Expenses (note 6)				
Management fees ±±±		**403**		375
Audit fees		**8**		6
Custodial fees		**65**		69
Independent review committee fees		**–**		–
Regulatory fees		**14**		19
Transaction costs ±±±±		**21**		7
Unitholder reporting costs		**238**		239
Withholding taxes (note 7)		**224**		139
		973		854
Expenses waived/absorbed by the Manager		**(373)**		(374)
		600		480
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)		**7,288**		(7,346)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class (excluding distributions)				
Class A	**$**	**6,050**	$	(6,282)
Premium Class	**$**	**753**	$	(1,040)
Institutional Class	**$**	**485**	$	(24)
Average Number of Units Outstanding for the period per Class				
Class A		**5,026**		5,236
Premium Class		**568**		608
Institutional Class		**371**		96
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit (excluding distributions)				
Class A	**$**	**1.20**	$	(1.20)
Premium Class	**$**	**1.32**	$	(1.71)
Institutional Class	**$**	**1.31**	$	(0.25)

± Net Gain (Loss) on Financial Instruments (in 000s)

		Net gains (losses)		
Category		**June 30, 2017**		June 30, 2016
Financial assets at FVTPL				
Held for Trading	**$**	**–**	$	(9)
Designated at Inception		**7,865**		(6,858)
Total financial assets at FVTPL	**$**	**7,865**	$	(6,867)

±± Securities Lending Revenue (note 2j)

	June 30, 2017			June 30, 2016		
		(in 000s)	**% of Gross securities lending revenue**		(in 000s)	% of Gross securities lending revenue
Gross securities lending revenue	**$**	**38**	**100.0**	$	20	100.0
Interest paid on collateral		**–**	**–**		–	–
Withholding taxes		**2**	**5.3**		–	–
Agent fees - Bank of New York Mellon Corp. (The)		**11**	**28.9**		6	30.0
Securities lending revenue	**$**	**25**	**65.8**	$	14	70.0

±±± Maximum Chargeable Annual Management Fee Rates (note 6)

Class A	1.20%
Premium Class	0.75%
Institutional Class	0.60%

±±±± Brokerage Commissions and Fees (notes 8 and 9)

	2017	2016
Brokerage commissions and other fees ($000s)		
Total Paid	**8**	3
Paid to CIBC World Markets Inc.	**–**	–
Paid to CIBC World Markets Corp.	**–**	–
Soft dollars ($000s)		
Total Paid	**–**	–
Paid to CIBC World Markets Inc. and CIBC World Markets Corp.	**–**	–

Administrative and Other Fund Operating Expenses (note 9)

	2017	2016
($000s)	**53**	49

Service Provider (note 9)

The amounts paid by the Fund (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees, and to CIBC Mellon Global Securities Services Company (*CIBC GSS*) for securities lending, fund accounting and reporting, and portfolio valuation (all net of absorptions) for the periods ended June 30, 2017 and 2016 were as follows:

	2017	2016
($000s)	**24**	19

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (unaudited) (in 000s)

For the periods ended June 30, 2017 and 2016 (note 1)

	Class A Units		Premium Class Units		Institutional Class Units	
	June 30, 2017	June 30, 2016	**June 30, 2017**	June 30, 2016	**June 30, 2017**	June 30, 2016
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units (excluding distributions)	**$ 6,050**	$ (6,282)	**$ 753**	$ (1,040)	**$ 485**	$ (24)
Distributions Paid or Payable to Holders of Redeemable Units ‡						
From net investment income	**(6)**	(4)	**–**	–	**–**	–
	(6)	(4)	**–**	–	**–**	–
Redeemable Unit Transactions						
Amount received from the issuance of units	**5,091**	3,967	**5,544**	1,849	**3,433**	1,460
Amount received from reinvestment of distributions	**6**	4	**–**	–	**–**	–
Amount paid on redemptions of units	**(8,082)**	(5,394)	**(2,103)**	(2,158)	**(1)**	–
	(2,985)	(1,423)	**3,441**	(309)	**3,432**	1,460
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	**3,059**	(7,709)	**4,194**	(1,349)	**3,917**	1,436
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period	**51,371**	56,690	**8,288**	9,868	**2,105**	285
Net Assets Attributable to Holders of Redeemable Units at End of Period	**$ 54,430**	$ 48,981	**$ 12,482**	$ 8,519	**$ 6,022**	$ 1,721

Redeemable Units Issued and Outstanding (note 5)
As at June 30, 2017 and 2016

	Class A Units		Premium Class Units		Institutional Class Units	
Balance - beginning of period	**5,134**	5,298	**558**	622	**191**	24
Redeemable units issued	**469**	403	**328**	128	**297**	140
Redeemable units issued on reinvestments	**1**	–	**–**	–	**–**	–
	5,604	5,701	**886**	750	**488**	164
Redeemable units redeemed	**(735)**	(550)	**(136)**	(148)	**–**	–
Balance - end of period	**4,869**	5,151	**750**	602	**488**	164

‡ Net Capital and Non-Capital Losses (note 7)
As at December 2016, the Fund had non-capital and capital losses (in $000s) for income tax purposes available to be carried forward as follows:

Total Net Capital Losses	Total Non-Capital Losses that Expire in: 2026 to 2036
5,932	–

Statements of Cash Flows (unaudited)
(in 000s)

For the periods ended June 30, 2017 and 2016 (note 1)

		June 30, 2017		June 30, 2016
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units from Operations (excluding distributions)	**$**	**7,288**	$	(7,346)
Adjustments for:				
Foreign exchange loss (gain) on cash		**2**		13
Net realized (gain) loss on sale of investments and derivatives		**(1,199)**		355
Net change in unrealized (appreciation) depreciation of investments and derivatives		**(4,771)**		8,244
Purchase of investments		**(19,403)**		(5,920)
Proceeds from the sale of investments		**14,878**		5,860
Dividends receivable		**(89)**		(133)
Other accrued expenses and liabilities		**(42)**		(7)
		(3,336)		1,066
Cash Flows from Financing Activities				
Amount received from the issuance of units		**13,863**		6,455
Amount paid on redemptions of units		**(10,115)**		(7,559)
		3,748		(1,104)
Increase (Decrease) in Cash during the Period		**412**		(38)
Foreign exchange loss (gain) on cash		**(2)**		(13)
Cash (Bank Overdraft) at Beginning of Period		**77**		282
Cash (Bank Overdraft) at End of Period	**$**	**487**	$	231
Dividends received, net of withholding taxes	**$**	**1,582**	$	1,461

The accompanying notes are an integral part of these financial statements.

Schedule of Investment Portfolio (unaudited) As at June 30, 2017

Security	Number of Shares	Average Cost ($000s)	Fair Value ($000s)	% of Net Assets
INTERNATIONAL EQUITIES				
Austria				
Andritz AG	442	26	35	
Erste Group Bank AG	1,829	82	91	
Immofinanz AG	343	–	1	
OMV AG	895	47	60	
Raiffeisen International Bank-Holding AG	900	51	29	
Voestalpine AG	691	34	42	
		240	258	0.4%
Belgium				
Ageas NV	1,184	195	62	
Anheuser-Busch InBev NV	4,631	363	663	
Colruyt NV	365	18	25	
Groupe Bruxelles Lambert SA	491	51	61	
KBC Group NV	1,525	132	150	
Proximus SA	924	42	42	
Solvay SA	451	60	79	
Telenet Group Holding NV	321	15	26	
UCB SA	768	50	69	
Umicore	579	22	52	
		948	1,229	1.7%
Denmark				
A.P. Moller - Maersk AS, Class 'A'	23	52	57	
A.P. Moller - Maersk AS, Class 'B'	39	85	102	
Carlsberg AS, Series 'B'	650	66	90	
Christian Hansen Holdings AS	601	51	57	
Coloplast AS, Class 'B'	722	24	78	
Danske Bank AS	4,483	140	224	
DONG Energy AS	894	47	52	
DSV AS	1,154	29	92	
Genmab AS, Bearer	349	62	97	
H. Lundbeck AS	421	30	31	
ISS AS	1,015	39	52	
Novo Nordisk AS, Series 'B'	11,008	237	613	
Novozymes AS, Class 'B'	1,402	34	80	
Pandora AS	676	61	82	
TDC AS	4,935	44	37	
Tryg AS	687	13	19	
Vestas Wind Systems AS	1,346	84	161	
William Demant Holding AS	727	11	24	
		1,109	1,948	2.7%
Finland				
Elisa OYJ	864	19	43	
Fortum OYJ	2,699	78	55	
Kone OYJ, Class 'B'	2,051	47	135	
Metso OYJ	686	24	31	
Neste Oil OYJ	779	24	40	
Nokia OYJ	35,467	690	282	
Nokian Renkaat OYJ	702	25	38	
Orion OYJ, Class 'B'	627	18	52	
Sampo OYJ, Series 'A'	2,716	88	181	
Stora Enso OYJ, Series 'R'	3,348	48	56	
UPM-Kymmene Corp. OYJ	3,243	68	120	
Wärtsilä OYJ, Series 'B'	899	30	69	
		1,159	1,102	1.5%
France				
Accor SA	1,125	79	68	
Aéroports de Paris	180	20	38	
Air Liquide SA	2,363	246	379	
Alstom SA	934	71	42	
Arkema	413	45	57	
Atos SE	574	52	104	
AXA SA	11,790	423	419	
BNP Paribas SA	6,820	589	637	
Bollore	5,298	36	31	
Bouygues SA	1,294	78	71	
Bureau Veritas SA	1,611	41	46	
Capgemini SE	977	114	131	
Carrefour SA	3,447	218	113	
Casino Guichard Perrachon SA	337	37	26	
Christian Dior SA	331	51	123	
CNP Assurances	1,044	27	30	
Compagnie de Saint-Gobain SA	3,037	177	210	
Compagnie Générale des Établissements Michelin, Series 'B', Registered	1,040	91	179	
Crédit Agricole SA	6,919	149	144	
Danone	3,588	263	349	
Dassault Aviation SA	15	23	27	
Dassault Systèmes SA	782	37	91	
Edenred	1,349	32	46	

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	Number of Shares	Average Cost ($000s)	Fair Value ($000s)	% of Net Assets
Eiffage SA	447	47	53	
Electricite de France SA	3,333	128	47	
Engie	10,360	421	203	
Essilor International SA	1,261	87	208	
Eurazeo SE	266	20	26	
Eutelsat Communications SA	1,061	34	35	
Fonciere des Regions	202	20	24	
Gecina SA	251	42	51	
Groupe Eurotunnel SA	2,841	34	39	
Hermes International	130	58	83	
ICADE	203	22	22	
Iliad SA	161	30	49	
Imerys SA	218	16	25	
Ingenico Group	355	57	42	
Ipsen SA	229	39	41	
JC Decaux SA	452	15	19	
Kering	460	90	203	
Klépierre	1,338	70	71	
Lagardère SCA, Registered	718	46	29	
Legrand SA	1,625	85	147	
L'Oréal SA	1,531	206	414	
LVMH Moët Hennessy-Louis Vuitton SA	1,695	247	550	
Natixis SA	5,720	40	50	
Orange SA	12,124	414	250	
Pernod-Ricard SA	1,290	131	224	
PSA Peugeot Citroën SA	2,952	49	76	
Publicis Groupe	1,236	81	119	
Rémy Cointreau SA	136	14	21	
Renault SA	1,080	96	127	
Rexel SA	1,840	38	39	
Safran SA	1,900	101	226	
Sanofi SA	7,066	651	878	
Schneider Electric SE	3,421	207	341	
SCOR SE	1,050	34	54	
SEB SA	137	25	32	
Societe BIC SA	173	16	27	
Société Générale SA	4,663	371	326	
Sodexho Alliance SA	560	46	94	
Suez	2,236	47	54	
Thales SA	643	46	90	
Total SA	14,165	926	912	
Unibail-Rodamco SE	604	130	197	
Valeo SA	1,453	65	127	
Veolia Environnement SA	2,911	122	80	
Vinci SA	3,047	192	337	
Vivendi SA	6,257	313	181	
Wendel SA	171	22	33	
Zodiac Aerospace	1,243	34	44	
		8,924	10,681	14.6%
Germany				
Adidas AG	1,145	96	285	
Allianz AG, Registered	2,778	600	711	
Axel Springer SE	295	19	23	
BASF SE	5,582	385	672	
Bayer AG	5,026	500	845	
Bayerische Motoren Werke (BMW) AG	2,012	144	243	
Bayerische Motoren Werke (BMW) AG, Preferred	333	22	36	
Beiersdorf AG	613	47	84	
Brenntag AG	939	46	71	
Commerzbank AG	6,469	191	100	
Continental AG	668	95	187	
Covestro AG	554	38	52	
Daimler AG, Registered	5,852	469	550	
Deutsche Bank AG, Registered	12,573	618	290	
Deutsche Boerse AG	1,173	134	161	
Deutsche Lufthansa AG	1,425	39	42	
Deutsche Post AG, Registered	6,033	184	294	
Deutsche Telekom AG, Registered	19,895	524	465	
Deutsche Wohnen AG	2,156	58	107	
E.ON SE	13,376	486	164	
Evonik Industries AG	991	46	41	
Fraport AG Frankfurt Airport Services Worldwide	253	19	29	
Fresenius Medical Care AG	1,307	86	163	
Fresenius SE	2,522	122	281	
FUCHS PETROLUB SE, Preferred	423	21	30	
GEA Group AG	1,112	43	59	
Hannover Rueckversicherungs SE	366	27	57	
HeidelbergCement AG	905	76	114	
Henkel AG & Co. KGaA	631	38	99	
Henkel AG & Co. KGaA, Preferred	1,082	69	193	
Hochtief AG	118	20	28	
Hugo Boss AG	385	52	35	
Infineon Technologies AG	6,892	63	190	
Innogy SE	844	47	43	

The accompanying notes are an integral part of these financial statements.

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	Number of Shares	Average Cost ($000s)	Fair Value ($000s)	% of Net Assets
K+S AG, Registered	1,163	77	39	
Lanxess AG	556	44	55	
Linde AG	1,129	178	279	
MAN SE	214	21	30	
Merck KGaA	785	54	123	
Metro AG	1,083	63	47	
Muenchener Rueckversicherungs-Gesellschaft AG, Registered	979	216	257	
Osram Licht AG	509	22	53	
Porsche AG, Preferred	931	97	68	
ProSiebenSat.1 Media SE	1,416	66	77	
RWE AG, Class 'A'	3,149	234	81	
SAP AG	5,973	443	811	
Schaeffler AG	1,009	21	19	
Siemens AG, Registered	4,649	581	829	
Symrise AG, Bearer	750	53	69	
Telefonica Deutschland Holding AG	4,519	32	29	
ThyssenKrupp AG	2,235	93	82	
TUI AG	2,677	61	51	
United Internet AG, Registered	748	28	53	
Volkswagen AG	197	50	40	
Volkswagen AG, Preferred	1,128	190	223	
Vonovia SE	2,834	113	146	
Zalando SE	676	34	40	
		8,195	10,245	14.1%
Ireland				
Bank of Ireland	167,174	57	57	
CRH PLC	5,061	134	234	
DCC PLC	540	66	64	
Experian PLC	5,732	70	152	
Kerry Group PLC, Class 'A'	963	57	107	
Paddy Power Betfair PLC	486	96	67	
Ryanair Holdings PLC	963	7	26	
Shire PLC	5,497	270	393	
		757	1,100	1.5%
Italy				
Assicurazioni Generali SPA	7,584	246	162	
Atlantia SPA	2,760	78	101	
Enel SPA	49,427	384	344	
Eni SPA	15,460	426	301	
Ferrari NV	747	49	83	
Intesa Sanpaolo	77,106	338	318	
Intesa Sanpaolo, RSP	5,667	17	22	
Leonardo-Finmeccanica SPA	2,459	56	53	
Luxottica Group SPA	1,030	45	78	
Mediobanca SPA	3,449	50	44	
Poste Italiane SpA	3,175	32	28	
Prysmian SPA	1,251	30	48	
Recordati SPA	635	35	34	
Saipem SPA	3,685	66	18	
Snam SPA	13,828	79	78	
Telecom Italia SPA	69,293	147	83	
Telecom Italia SPA, RSP	36,631	64	35	
Terna SPA	8,550	39	60	
UniCredit SPA	12,165	614	296	
UnipolSai SPA	6,019	20	17	
		2,815	2,203	3.0%
Jersey, Channel Islands				
Randgold Resources Ltd.	571	55	66	
		55	66	0.1%
Luxembourg				
ArcelorMittal	4,037	336	119	
Eurofins Scientific SE	66	40	48	
Millicom International Cellular SA	402	35	31	
RTL Group SA	235	30	23	
SES SA	2,214	66	67	
Tenaris SA	2,870	42	58	
		549	346	0.5%
Mexico				
Fresnillo PLC	1,343	26	34	
		26	34	0.0%
Netherlands				
ABN AMRO Group NV	1,714	47	59	
AEGON NV	10,716	190	71	
AerCap Holdings NV	912	51	55	
Airbus Group	3,523	175	377	
Akzo Nobel NV	1,533	113	173	
Altice NV, Class 'A'	2,363	87	71	
Altice NV, Class 'B'	569	23	17	
ASML Holding NV	2,269	118	384	
EXOR NV	659	27	46	

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	Number of Shares	Average Cost ($000s)	Fair Value ($000s)	% of Net Assets
Gemalto NV	494	38	38	
Heineken Holding NV	613	37	73	
Heineken NV	1,400	86	177	
ING Groep NV	23,571	541	528	
Koninklijke Ahold Delhaize NV	7,786	139	193	
Koninklijke DSM NV	1,103	65	104	
Koninklijke KPN NV	20,761	176	86	
Koninklijke Philips NV	5,650	216	261	
Koninklijke Vopak NV	427	20	26	
NN Group NV	1,832	72	84	
NXP Semiconductors NV	2,103	272	298	
QIAGEN NV	1,333	32	57	
Randstad Holding NV	723	32	55	
RELX NV	5,870	84	157	
Royal Boskalis Westminster NV	554	23	23	
Royal Dutch Shell PLC, Class 'A'	26,915	934	927	
Royal Dutch Shell PLC, Class 'B'	22,761	795	792	
Unilever NV	9,900	369	709	
Wolters Kluwer NV	1,834	66	101	
		4,828	5,942	8.1%
Norway				
DNB ASA	5,939	84	131	
Gjensidige Forsikring ASA	1,215	18	27	
Marine Harvest	2,336	48	52	
Norsk Hydro ASA	8,173	76	59	
Orkla ASA	4,954	54	65	
Schibsted ASA	459	22	14	
Schibsted ASA, Class 'B'	542	24	16	
Statoil ASA	6,902	187	148	
Telenor ASA	4,562	75	98	
Yara International ASA	1,080	48	53	
		636	663	0.9%
Portugal				
Banco Espirito Santo SA, Registered	1,445	21	–	
Energias de Portugal SA	14,444	73	61	
Galp Energia, SGPS SA, Class 'B'	3,046	48	60	
Jeronimo Martins SGPS SA	1,530	31	39	
		173	160	0.2%
Spain				
Abertis Infraestructuras SA	4,213	78	101	
ACS Actividades de Construcción y Servicios SA	1,435	56	72	
ACS Actividades de Construccion y Servicios SA, Rights, 2017/07/12	1,435	1	1	
Aena SA	410	54	104	
Amadeus IT Group SA	2,667	100	207	
Banco Bilbao Vizcaya Argentaria SA	40,646	516	439	
Banco de Sabadell SA	32,424	100	85	
Banco Santander SA	88,619	852	763	
Bankia SA	6,124	47	38	
Bankinter SA	4,097	41	49	
CaixaBank SA	21,810	111	135	
Distribuidora Internacional de Alimentacion SA	3,783	20	31	
Enagas SA	1,378	40	50	
Endesa SA, Registered	1,930	50	58	
Ferrovial SA	2,942	47	85	
Gamesa Corporacion Tecnológica SA	1,449	44	40	
Gas Natural SDG SA	2,128	57	65	
Grifols SA, Class 'A'	1,813	38	66	
Iberdrola SA	35,332	283	363	
Industria de Diseno Textil SA	6,629	124	330	
Mapfre SA	6,550	29	30	
Red Electrica Corp. SA	2,631	49	71	
Repsol SA	7,275	159	145	
Repsol SA, Rights, 2017/07/03	7,275	5	4	
Telefónica SA	27,554	565	370	
		3,466	3,702	5.1%
Sweden				
AB SKF, Series 'B'	2,292	38	60	
Alfa Laval AB	1,784	26	47	
Assa Abloy AB, Class 'B'	6,091	63	174	
Atlas Copco AB, Series 'A'	4,081	70	203	
Atlas Copco AB, Series 'B'	2,371	37	106	
Boliden AB	1,662	25	59	
Electrolux AB, Series 'B'	1,462	30	62	
Essity AB	3,697	136	131	
Getinge AB, Series 'B'	1,216	29	31	
Hennes & Mauritz AB, Series 'B'	5,770	163	187	
Hexagon AB, Series 'B'	1,571	44	97	
Husqvarna AB	2,532	26	33	
ICA Gruppen AB	489	22	24	
Industrivarden AB, Series 'C'	998	21	31	
Investment AB Kinnevik, Series 'B'	1,424	35	57	

The accompanying notes are an integral part of these financial statements.

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	*Number of Shares*	*Average Cost ($000s)*	*Fair Value ($000s)*	*% of Net Assets*
Investor AB, Series 'B'	2,768	80	173	
L E Lundbergforetagen AB, Series 'B'	230	18	24	
Lundin Petroleum AB	1,138	28	28	
Nordea Bank AB	18,459	256	305	
Sandvik AB	6,861	108	140	
Securitas AB, Series 'B'	1,903	32	42	
Skandinaviska Enskilda Banken, Series 'A'	9,231	122	145	
Skanska AB, Series 'B'	2,066	36	64	
Svenska Handelsbanken AB, Class 'A'	9,281	103	172	
Swedbank AB	5,503	122	174	
Swedish Match AB	1,147	23	52	
Tele2 AB, Class 'B'	2,198	31	30	
Telefonaktiebolaget LM Ericsson, Series 'B'	18,653	298	174	
Telia Co. AB	15,789	124	94	
Volvo AB, Series 'B'	9,445	128	209	
		2,274	3,128	4.3%
Switzerland				
ABB Ltd., Registered	12,113	287	390	
Adecco SA, Registered	988	75	98	
Baloise Holding AG, Registered	304	36	61	
Barry Callebaut AG	13	13	23	
Coca-Cola HBC AG	1,104	30	42	
Compagnie Financiere Richemont SA, Registered	3,172	198	340	
Credit Suisse Group AG	14,259	520	269	
Dufry AG Registered	214	39	46	
Ems-Chemie Holding AG, Registered	50	15	48	
Geberit AG, Registered	225	40	136	
Givaudan SA, Registered	56	67	146	
Glencore PLC	74,357	377	361	
Julius Baer Group Ltd.	1,360	60	93	
Kuehne & Nagel International AG, Registered	328	35	71	
LafargeHolcim Ltd., Registered	2,766	215	206	
Lindt & Spruengli AG	6	22	45	
Lindt & Spruengli AG, Registered	1	24	91	
Lonza Group AG, Registered	453	82	127	
Nestlé SA, Series 'B', Registered	18,913	1,077	2,139	
Novartis AG, Registered	13,571	965	1,470	
Pargesa Holding SA, Class 'B'	234	24	23	
Partners Group Holding AG	105	33	85	
Roche Holding AG Genusscheine	4,270	948	1,415	
Schindler Holding AG	249	17	69	
Schindler Holding AG, Registered	123	12	33	
SGS SA, Registered	33	47	104	
Sika AG	13	25	108	
Sonova Holding AG, Registered	318	31	67	
STMicroelectronics NV	3,873	98	72	
Straumann AG, Registered	58	43	43	
Swatch Group AG (The)	188	55	90	
Swatch Group AG (The), Registered	339	21	32	
Swiss Life Holding AG, Registered	195	50	86	
Swiss Prime Site AG, Registered	434	41	51	
Swiss Re AG	1,969	138	234	
Swisscom AG	158	74	99	
UBS Group AG	22,233	471	490	
Vifor Pharma AG	296	55	42	
Wolseley PLC	1,537	88	122	
Zurich Insurance Group AG	916	281	347	
		6,729	9,814	13.5%
United Kingdom				
3i Group PLC	5,912	74	90	
Aberdeen Asset Management PLC	5,606	27	29	
Admiral Group PLC	1,210	25	41	
Anglo American PLC	8,096	323	140	
Antofagasta PLC	2,396	30	32	
Ashtead Group PLC	3,034	59	81	
Associated British Foods PLC	2,165	55	107	
AstraZeneca PLC	7,689	478	668	
Auto Trader Group PLC	5,949	48	38	
Aviva PLC	24,687	276	220	
Babcock International Group PLC	1,537	19	23	
BAE Systems PLC	19,308	174	207	
Barclays PLC	103,102	606	354	
Barratt Developments PLC	6,119	69	58	
Berkeley Group Holdings PLC	799	49	44	
BHP Billiton PLC	12,835	304	255	
BP PLC	118,870	1,211	890	
British American Tobacco PLC	11,330	468	1,001	
British Land Co. PLC	5,945	75	61	
BT Group PLC	51,451	390	257	
Bunzl PLC	2,039	35	79	
Burberry Group PLC	2,667	34	75	
Capita PLC	4,055	60	47	
Carnival PLC	1,147	49	98	

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	Number of Shares	Average Cost ($000s)	Fair Value ($000s)	% of Net Assets
Carphone Warehouse Group PLC	5,953	37	29	
Centrica PLC	33,356	176	113	
CNH Industrial NV	6,207	74	91	
Cobham PLC	14,530	48	32	
Coca-Cola European Partners PLC	1,321	66	69	
Compass Group PLC	9,607	117	263	
ConvaTec Group PLC	7,116	40	38	
Croda International PLC	798	34	52	
Diageo PLC	15,300	360	586	
Direct Line Insurance Group PLC	8,356	41	50	
easyJet PLC	966	22	22	
Fiat Chrysler Automobiles NV	6,500	119	89	
GKN PLC	10,420	41	57	
GlaxoSmithKline PLC	29,841	904	824	
Group 4 Securicor PLC	9,429	41	52	
Hammerson PLC	4,820	56	47	
Hargreaves Lansdown PLC	1,585	24	35	
Hikma Pharmaceuticals PLC	875	37	22	
HSBC Holdings PLC	120,708	1,671	1,453	
IMI PLC	1,653	30	33	
Imperial Brands PLC	5,826	231	340	
Inmarsat PLC	2,747	35	36	
InterContinental Hotels Group PLC	1,092	32	79	
International Consolidated Airlines Group SA	3,867	18	40	
Intertek Group PLC	981	35	70	
Intu Properties PLC	5,353	45	24	
Investec PLC	3,993	40	39	
ITV PLC	22,016	35	68	
J Sainsbury PLC	9,968	72	42	
Johnson Matthey PLC	1,177	43	57	
Kingfisher PLC	13,612	72	69	
Land Securities Group PLC	4,806	102	82	
Legal & General Group PLC	36,188	110	158	
Lloyds Banking Group PLC	434,272	981	485	
London Stock Exchange Group PLC	1,916	68	118	
Marks & Spencer Group PLC	9,874	77	56	
Mediclinic International PLC	2,240	37	28	
Meggitt PLC	4,714	32	38	
Merlin Entertainments PLC	4,321	31	35	
Mondi PLC	2,232	64	76	
National Grid PLC	20,887	303	336	
Next PLC	894	38	58	
Old Mutual PLC	29,960	92	98	
Pearson PLC	4,999	96	58	
Persimmon PLC	1,875	42	71	
Petrofac Ltd.	1,576	26	12	
Provident Financial PLC	898	64	37	
Prudential PLC	15,686	277	467	
Reckitt Benckiser Group PLC	4,042	270	531	
RELX PLC	6,567	94	184	
Rio Tinto PLC, Registered	7,520	472	413	
Rolls-Royce Holdings PLC	10,058	74	151	
Rolls-Royce Holdings PLC, C Shares	755,369	7	1	
Royal Bank of Scotland Group PLC	21,555	475	90	
Royal Mail PLC	5,469	56	39	
RSA Insurance Group PLC	6,196	80	64	
Sage Group PLC (The)	6,565	48	76	
Schroders PLC	756	21	40	
SEGRO PLC	6,054	57	50	
Severn Trent PLC	1,433	42	53	
SKY PLC	6,268	88	105	
Smith & Nephew PLC	5,317	64	119	
Smiths Group PLC	2,403	59	65	
SSE PLC	6,148	154	151	
St. James's Place Capital PLC	3,205	58	64	
Standard Chartered PLC	19,961	472	262	
Standard Life PLC	12,027	90	81	
Tate & Lyle PLC	2,824	31	32	
Taylor Wimpey PLC	19,879	70	59	
Tesco PLC	49,680	321	142	
Travis Perkins PLC	1,525	43	37	
Unilever PLC	7,800	287	547	
United Utilities Group PLC	4,144	63	61	
Vodafone Group PLC	161,767	945	596	
Weir Group PLC (The)	1,323	42	39	
Whitbread PLC	1,113	40	75	
William Morrison Supermarkets PLC	13,484	70	55	
Worldpay Group PLC	12,154	65	65	
WPP PLC	7,783	134	213	
		16,766	16,389	22.5%

The accompanying notes are an integral part of these financial statements.

Schedule of Investment Portfolio (unaudited) As at June 30, 2017 *(cont'd)*

Security	*Number of Shares*	*Average Cost ($000s)*	*Fair Value ($000s)*	*% of Net Assets*
United States				
iShares Europe ETF	48,810	2,954	2,805	
		2,954	2,805	3.8%
TOTAL INTERNATIONAL EQUITIES		**62,603**	**71,815**	**98.5%**
TOTAL EQUITIES		**62,603**	**71,815**	**98.5%**
Less: Transaction costs included in average cost		(66)		
TOTAL INVESTMENTS		**62,537**	**71,815**	**98.5%**
Other Assets, less Liabilities			1,119	1.5%
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			**72,934**	**100.0%**

Supplemental Schedule to Schedule of Investment Portfolio (unaudited)

Offsetting Arrangements (note 2d)

The Fund may enter into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of the contracts.

As at June 30, 2017 and December 31, 2016, the Fund did not enter into any arrangements whereby the financial instruments were eligible for offset.

Interests in Underlying Funds (note 4)

As at June 30, 2017 and December 31, 2016, the Fund had no investments in underlying funds where the ownership exceeded 20% of each underlying fund.

Financial Instrument Risks

Investment Objective: CIBC European Index Fund (the *Fund*) seeks to provide long-term growth through capital appreciation. The Fund is managed to obtain a return that approximates the performance of the MSCI Europe Index, which is a free float-adjusted market capitalization index that is designed to measure developed market equity performance of 16 countries in Europe.

Investment Strategies: The Fund uses passive management strategies to create a portfolio with characteristics similar to the MSCI Europe Index, allowing the Fund to obtain a return that approximates the performance of that index in Canadian dollars.

Significant risks that are relevant to the Fund are discussed here. General information on risk management and specific discussion on concentration, credit, currency, interest rate, liquidity, and other price/market risk can be found in note 2 of the financial statements.

In the following risk tables, Net Assets is defined as meaning "Net assets attributable to holders of redeemable units".

Concentration Risk as at June 30, 2017 and December 31, 2016

The Schedule of Investment Portfolio presents the securities held by the Fund as at June 30, 2017.

The following table presents the investment sectors held by the Fund as at December 31, 2016 and groups the securities by asset type, industry sector, geographic region, or currency exposure:

As at December 31, 2016

Portfolio Breakdown	*% of Net Assets*
International Equities	
Austria	0.3
Belgium	1.8
Denmark	2.5
Finland	1.5
France	14.7
Germany	14.2
Ireland	1.7
Italy	2.8
Jersey, Channel Islands	0.1
Luxembourg	0.5
Netherlands	8.5
Norway	1.0
Portugal	0.2
Spain	4.7
Sweden	4.3
Switzerland	14.2
United Kingdom	26.6
Other Assets, less Liabilities	0.4
Total	**100.0**

Credit Risk

Credit ratings represent a consolidation of the ratings provided by various outside service providers and are subject to change, which could be material.

See the Schedule of Investment Portfolio for counterparties related to over-the-counter derivative contracts, where applicable.

As at June 30, 2017 and December 31, 2016, the Fund had no significant investments in debt securities.

Currency Risk

The tables that follow indicate the currencies to which the Fund had significant exposure as at June 30, 2017 and December 31, 2016, based on the market value of the Fund's financial instruments (including cash and cash equivalents) and the underlying principal amounts of forward foreign currency contracts, as applicable.

As at June 30, 2017

Currency (note 2m)	*Total Currency Exposure* ($000s)*	*% of Net Assets*
EUR	34,472	47.3
GBP	19,430	26.6
CHF	9,524	13.1
USD	3,207	4.4
SEK	3,161	4.3
DKK	1,954	2.7
NOK	667	0.9

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

As at December 31, 2016

Currency (note 2m)	*Total Currency Exposure* ($000s)*	*% of Net Assets*
EUR	28,829	46.7
GBP	17,505	28.3
CHF	8,321	13.5
SEK	2,671	4.3
USD	2,229	3.6
DKK	1,560	2.5
NOK	628	1.0

* Amounts reflect the carrying value of monetary and non-monetary items (including the notional amount of forward foreign currency contracts, if any).

The table that follows indicates how net assets as at June 30, 2017 and December 31, 2016 would have decreased or increased had the Canadian dollar strengthened or weakened by 1% in relation to all foreign currencies. This analysis assumes that all other variables remain unchanged. In practice, the actual results may differ from this analysis and the difference could be material.

	June 30, 2017	*December 31, 2016*
Impact on Net Assets ($000s)	**724**	617

Interest Rate Risk

As at June 30, 2017 and December 31, 2016, the majority of the Fund's financial assets and liabilities are non-interest bearing and short-term in nature; accordingly, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to daily cash redemptions of redeemable units. The Fund maintains sufficient cash on hand to fund anticipated redemptions.

With the exception of derivative contracts, where applicable, all of the Fund's financial liabilities are short-term liabilities maturing within 90 days after the period end.

For funds that hold derivative contracts with a term-to-maturity that exceeds 90 days from the period end, further information related to those contracts can be referenced in the derivative schedules following the Schedule of Investment Portfolio.

Other Price/Market Risk

The table that follows indicates how net assets as at June 30, 2017 and December 31, 2016 would have increased or decreased had the value of the Fund's benchmark(s) increased or decreased by 1%. This change is estimated based on the historical correlation between the return of Class A units of the Fund as compared to the return of the Fund's benchmark(s), using 36 monthly data points, as available, based on the monthly net returns of the Fund. This analysis assumes that all other variables remain unchanged. The historical correlation may not be representative of the future correlation and, accordingly, the impact on net assets could be materially different.

	Impact on Net Assets ($000s)	
Benchmark	***June 30, 2017***	*December 31, 2016*
MSCI Europe Index	**730**	619

Fair Value Measurement of Financial Instruments

The following is a summary of the inputs used as at June 30, 2017 and December 31, 2016 in valuing the Fund's financial assets and financial liabilities, carried at fair value:

As at June 30, 2017

Classification	*Level 1 (i) ($000s)*	*Level 2 (ii) ($000s)*	*Level 3 (iii) ($000s)*	*Total ($000s)*
Financial Assets				
Equities	3,414	68,401	–	71,815
Total Financial Assets	**3,414**	**68,401**	**–**	**71,815**

(i) Quoted prices in active markets for identical assets
(ii) Significant other observable inputs
(iii) Significant unobservable inputs

As at December 31, 2016

Classification	*Level 1 (i) ($000s)*	*Level 2 (ii) ($000s)*	*Level 3 (iii) ($000s)*	*Total ($000s)*
Financial Assets				
Equities	2,900	58,632	–	61,532
Total Financial Assets	**2,900**	**58,632**	**–**	**61,532**

(i) Quoted prices in active markets for identical assets
(ii) Significant other observable inputs
(iii) Significant unobservable inputs

Transfer of assets between Level 1 and Level 2

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of securities no longer being traded in an active market.

	June 30, 2017	*December 31, 2016*
Fair value of assets transferred from Level 1 to Level 2 during the period ($000s)	**59**	–

Financial assets and liabilities transferred from Level 2 to Level 1 are the result of securities now being traded in an active market.

For the periods ended June 30, 2017 and December 31, 2016, there were no transfers of financial assets and liabilities from Level 2 to Level 1.

Reconciliation of financial asset and liability movement – Level 3

The Fund did not hold any significant positions of Level 3 investments at the beginning of, during, or at the end of either reporting period.

As at and for the periods as disclosed in the financial statements (see note 1)

1. Organization of the Funds and Financial Reporting Periods

Each of the CIBC Mutual Funds and CIBC Family of Portfolios (individually, a *Fund*, and collectively, the *Funds*) is a mutual fund trust organized under the laws of Ontario and governed by a declaration of trust (*Declaration of Trust*). The address of the Funds' registered office is 18 York Street, Suite 1300, Toronto, Ontario.

CIBC Securities Inc. is the principal distributor, Canadian Imperial Bank of Commerce (*CIBC*) is the manager (the *Manager*), and CIBC Trust Corporation is the trustee (the *Trustee*) of the Funds.

Each Fund is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. In the future, the offering of any classes of units of a Fund may be terminated or additional classes of units may be offered. The following table indicates the classes of units offered for sale by each of the Funds, as at the date of these financial statements:

Funds	Class A	Class T4	Class T6	Class T8	Premium Class	Institutional Class	Class O
CIBC Canadian T-Bill Fund	✓				✓		
CIBC Money Market Fund	✓				✓		✓
CIBC U.S. Dollar Money Market Fund	✓				✓		✓
CIBC Short-Term Income Fund	✓				✓		✓
CIBC Canadian Bond Fund	✓				✓		✓
CIBC Monthly Income Fund	✓						✓
CIBC Global Bond Fund	✓						✓
CIBC Global Monthly Income Fund	✓						✓
CIBC Balanced Fund	✓						
CIBC Dividend Income Fund	✓						✓
CIBC Dividend Growth Fund	✓						✓
CIBC Canadian Equity Fund	✓						✓
CIBC Canadian Equity Value Fund	✓						✓
CIBC Canadian Small-Cap Fund	✓						
CIBC U.S. Equity Fund	✓						✓
CIBC U.S. Small Companies Fund	✓						✓
CIBC Global Equity Fund	✓						
CIBC International Equity Fund	✓						✓
CIBC European Equity Fund	✓						✓
CIBC Emerging Markets Fund	✓						✓
CIBC Asia Pacific Fund	✓						✓
CIBC Latin American Fund	✓						
CIBC International Small Companies Fund	✓						
CIBC Financial Companies Fund	✓						
CIBC Canadian Resources Fund	✓						✓
CIBC Energy Fund	✓						✓
CIBC Canadian Real Estate Fund	✓						✓
CIBC Precious Metals Fund	✓						✓
CIBC Global Technology Fund	✓						
CIBC Canadian Short-Term Bond Index Fund	✓				✓	✓	✓
CIBC Canadian Bond Index Fund	✓				✓	✓	✓
CIBC Global Bond Index Fund	✓				✓	✓	
CIBC Balanced Index Fund	✓				✓	✓	
CIBC Canadian Index Fund	✓				✓	✓	✓
CIBC U.S. Broad Market Index Fund	✓				✓	✓	✓
CIBC U.S. Index Fund	✓				✓	✓	✓
CIBC International Index Fund	✓				✓	✓	✓
CIBC European Index Fund	✓				✓	✓	
CIBC Emerging Markets Index Fund	✓				✓	✓	✓
CIBC Asia Pacific Index Fund	✓				✓	✓	✓
CIBC Nasdaq Index Fund	✓				✓	✓	
CIBC Managed Income Portfolio	✓	✓	✓				
CIBC Managed Income Plus Portfolio	✓	✓	✓				
CIBC Managed Balanced Portfolio	✓	✓	✓	✓			
CIBC Managed Monthly Income Balanced Portfolio	✓		✓	✓			
CIBC Managed Balanced Growth Portfolio	✓	✓	✓	✓			
CIBC Managed Growth Portfolio	✓	✓	✓	✓			
CIBC Managed Aggressive Growth Portfolio	✓	✓	✓	✓			
CIBC U.S. Dollar Managed Income Portfolio	✓	✓	✓				
CIBC U.S. Dollar Managed Balanced Portfolio	✓	✓	✓	✓			
CIBC U.S. Dollar Managed Growth Portfolio	✓	✓	✓	✓			

Each class of units may charge a different management fee. Operating expenses can be either common or class-specific. Class-specific expenses are allocated on a class-by-class basis. As a result, a separate net asset value per unit is calculated for each class of units.

Class A units are available to all investors on a no-load basis with a minimum investment of $500. Investors may have to pay a short-term trading fee if applicable.

Class T4, T6, and T8 units have the same characteristics as Class A units, except that they each intend to pay a fixed distribution amount per unit, which also results in a separate net asset value per unit for each class, and may have different minimum investment requirements.

Premium Class units are available to investors on a no-load basis with a minimum investment of $100,000 for CIBC Canadian T-Bill Fund and CIBC Money Market Fund, US$100,000 for CIBC U.S. Dollar Money Market Fund, $50,000 for CIBC Short-Term Income Fund, CIBC Canadian Bond Fund, CIBC Canadian Short-Term Bond Index Fund, CIBC Canadian Bond Index Fund, CIBC Global Bond Index Fund, CIBC Balanced Index Fund, CIBC Canadian Index Fund, CIBC U.S. Broad Market Index Fund, CIBC U.S. Index Fund, CIBC International Index Fund, CIBC European Index Fund, CIBC Emerging Markets Index Fund, CIBC Asia Pacific Index Fund, and CIBC Nasdaq Index Fund, and US$50,000 for the U.S. dollar purchase option of CIBC U.S. Broad Market Index Fund and CIBC Nasdaq Index Fund. Management fees charged in respect of Premium Class units are lower than those charged in respect of Class A units.

Institutional Class units are available to investors with a minimum investment of $50,000. Institutional Class units are available to investors participating in programs that do not require the payment of sales charges by investors and do not require the payment of service or trailing commissions to dealers, and others who pay an annual fee to their dealer. For these investors, we “unbundle” the typical distribution costs and charge a lower management fee. Potential investors include institutional clients, clients of “fee-for-service” investment advisors, dealer sponsored “wrap accounts”, and others who pay an annual fee to their dealer instead of transactional sales charges and where the dealer does not receive service fees or trailing commissions from the Manager.

Class O units are only available to certain investors who have been approved by and have entered into a Class O unit account agreement with the Manager or whose dealer or discretionary manager offers separately managed accounts or similar programs and has entered into a Class O unit account agreement with the Manager. These investors are typically financial services companies, including the Manager, that use Class O units of a fund to facilitate offering other products to investors. No management fees or operating expenses are charged to a fund in respect of Class O units; instead, a negotiated management fee is charged by the Manager directly to, or as directed by, Class O unitholders or dealers and discretionary managers on behalf of unitholders.

The date upon which each Fund was established by Declaration of Trust (*Date Established*) and the date upon which each class of units of each Fund was first sold to the public (*Inception Date*) are reported in footnote *Organization of the Fund* on the Statements of Financial Position.

The Schedule of Investment Portfolio of each of the Funds is as at June 30, 2017. The Statements of Financial Position of each of the Funds are as at June 30, 2017 and December 31, 2016. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Holders of Redeemable Units, and the Statements of Cash Flows of each of the Funds are for the six-month periods ended June 30, 2017 and 2016, except for Funds or classes established during either period, in which case the information presented is from the Date Established or the Inception Date to June 30, 2017 or 2016.

These financial statements were approved for issuance by the Manager on August 16, 2017.

2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with International Accounting Standards Interim Financial Reporting (*IAS 34*) as published by the International Accounting Standards Board (*IASB*).

The financial statements have been prepared on a going concern basis using the historical cost convention. However, each Fund is an investment entity and primarily all financial assets and financial liabilities are measured at fair value in accordance with IFRS. Accordingly, the Funds’ accounting policies for measuring the fair value of investments and derivatives are consistent with those used in measuring the Net Asset Value for transactions with unitholders. In applying IFRS, these financial statements include estimates and assumptions made by management that affect the reported amounts of assets, liabilities, income, and expenses during the reporting periods. However, existing circumstances and assumptions may change due to market changes or circumstances arising beyond the control of the Funds. Such changes are reflected in the assumptions when they occur.

These financial statements have been presented in Canadian dollars, which is the Funds’ functional currency (unless otherwise noted).

a) Financial Instruments

Classification and recognition of financial instruments

In accordance with IAS 39 Financial Instruments: Recognition and Measurement, financial assets and financial liabilities are classified at initial recognition into the following categories:

Financial assets and liabilities at fair value through profit or loss (“FVTPL”)

This category is sub-divided into:

- Financial instruments classified as Held For Trading: Financial assets and liabilities are classified as Held For Trading if they are acquired for the purpose of selling and/or repurchasing in the near term, and are acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivatives and securities sold short held by the Funds are classified as Held For Trading and do not meet the definition of effective hedging instruments as defined by IAS 39.
- Financial instruments designated as FVTPL through inception: All investments held by the Funds, excluding those classified as Held For Trading (discussed above), are designated as fair value through profit or loss upon initial recognition. These financial assets are designated upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Funds, as set out in the Funds’ prospectus.

Loans and receivables

The Funds include in this category receivable balances relating to portfolio investments and other short-term receivables such as receivable for units issued.

Other financial liabilities

This category includes all financial liabilities, other than those classified as fair value through profit or loss. The Funds include in this category amounts relating to payables for portfolio securities purchased and other accrued liabilities such as payable for units redeemed and distributions payable to holders of redeemable units.

All Funds have contractual obligations to distribute cash to the unitholders. As a result, each Fund's obligation for net assets attributable to holders of redeemable units represents a financial liability and is presented at the redemption amount.

b) Risk Management

The Funds’ overall risk management approach includes formal guidelines that govern the extent of exposure to various types of risk, including diversification within asset classes and limits on the exposure to individual investments and counterparties. In addition, derivative financial instruments may be used to manage certain risk exposures. The Manager also has various internal controls to oversee the Funds’ investment activities, including monitoring compliance with the investment objectives and strategies, internal guidelines, and securities regulations. Please refer to each Fund’s *Supplemental Schedule to Schedule of Investment Portfolio* for specific risk disclosures.

Fair value of financial instruments by using valuation techniques

Financial instruments are valued at their fair value which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to notes 3a to 3f for valuation of each specific type of financial instrument held by the Funds. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances.

For financial assets and financial liabilities that are not traded in an active market, fair value is determined using valuation techniques.

The Funds classify fair value measurement within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable for the asset or liability.

If inputs are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. Each Fund's fair value hierarchy classification of its assets and liabilities is included in the *Supplemental Schedule to Schedule of Investment Portfolio*.

The carrying values of all non-investment assets and liabilities approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The Manager is responsible for performing the fair value measurements included in the financial statements of a Fund, including the Level 3 measurements. The Manager obtains pricing from third-party pricing vendors and the pricing is reviewed daily. At each financial reporting date, the Manager reviews and approves all Level 3 fair value measurements. The Funds also have a Valuation Committee which meets quarterly to perform detailed reviews of the valuations of investments held by the Funds, which includes discussion on Level 3 measurements.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument, such as a fixed income security or a derivative contract, will fail to discharge an obligation or commitment that it has entered into with the Funds. The value of fixed income securities and derivatives as presented on the Schedule of Investment Portfolio includes consideration of the creditworthiness of the issuer and, accordingly, represents the maximum credit risk exposure of the Funds. Certain Funds may invest in short-term fixed income securities issued or guaranteed primarily by the Government of Canada or, any Canadian provincial or Canadian municipal government, obligations of Canadian chartered banks or trust companies, and commercial paper with approved credit ratings. The risk of default on these short-term fixed income securities is considered low and these securities primarily have credit ratings of 'A-1 (Low)' or higher (as rated by S&P Global Ratings, a division of S&P Global, or equivalent rating from another rating service).

The bond ratings noted in the Funds' 'Financial Instruments Risk' under sub-section 'Credit Risk' represent ratings collected and disseminated by recognized third party vendors. These ratings utilized by the Manager, while obtained from vendors skilled and recognized for bond rating services, may not be the same as those used directly by the portfolio advisor or portfolio sub-advisors. Ratings used by the portfolio advisor or portfolio sub-advisors could be higher or lower than those used for risk disclosure in the financial statements in compliance with their investment policy guidelines.

The Funds may engage in securities lending transactions. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market on each business day. Further information regarding the collateral and securities on loan can be found in the footnotes to the Statements of Financial Position and in note 2j.

Currency risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. Mutual funds may invest in securities denominated or traded in currencies other than the Funds' reporting currency.

Interest rate risk

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as interest rate risk. Prices of longer-term fixed income securities will generally fluctuate more in response to interest rate changes than would shorter-term securities. Due to the nature of short-term fixed income securities with a remaining term-to-maturity of less than one year, these investments are not generally exposed to a significant risk that their value will fluctuate in response to changes in the prevailing levels of market interest rates.

Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. Generally, the Funds retain sufficient cash and cash equivalent positions to maintain adequate liquidity. However, liquidity risk also involves the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a Fund to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or a lower return for a Fund.

Other price/market risk

Other price/market risk is the risk that the value of investments will fluctuate as a result of changes in market conditions. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events. All investments are exposed to other price/market risk.

c) Investment Transactions, Income Recognition, and Recognition of Realized and Unrealized Gains and Losses

i) Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Fund accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis.

ii) Dividend income is recorded on the ex-dividend date.

iii) Securities that are exchange-traded are recorded at fair value established by the last traded market price when that price falls within that day's bid-ask spread. Debt securities are recorded at fair value, established by the last traded price on the over-the-counter market (*OTC*) when that price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the price that is most representative of fair value based on the specific facts and circumstances. Gold bullion recorded at fair value established by the last traded market price when the price falls within that day's bid-ask spread. Unlisted securities are recorded at fair value using fair valuation techniques established by the Manager in establishing a fair value.

iv) Realized gains and losses on investments and unrealized appreciation or depreciation of investments are calculated using the average cost, excluding transaction costs, of the related investments.

v) Investment income is the sum of income paid to the fund that is generated from a fund's investment fund holdings.

vi) Other income is the sum of income, excluding transaction costs, other than that which is separately classified on the Statements of Comprehensive Income.

d) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Where applicable, additional information can be found in the table *Offsetting Arrangements* as part of the Supplemental Schedule to Schedule of Investment Portfolio. This supplemental schedule discloses the OTC derivatives which are subject to offsetting.

e) Portfolio Securities

The cost of securities of a Fund is determined in the following manner: securities are purchased and sold at a market-traded price to arrive at a value for the position traded. The total purchased value represents the total cost of the security to the Fund. When additional units of the same security are purchased, the cost of those additional units is added to the total security cost. When units of the same security are sold, the proportionate cost of the units of the security sold is deducted from the total security cost. If there is a return of capital paid by a security, the amount of this return of capital is deducted from the total security cost. This method of tracking security cost is known as "average cost" and the current total for any one security is referred to as the "adjusted cost base" or "ACB" of the security. Transaction costs incurred in portfolio transactions are excluded from the average cost of investments and are recognized immediately in Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units and are presented as a separate expense item in the financial statements.

The difference between the fair value of securities and their average cost, excluding transaction costs, represents the unrealized appreciation (depreciation) in value of the portfolio investments. The applicable period change in unrealized appreciation (depreciation) of investments is included on the Statements of Comprehensive Income.

Short-term investments on the Schedule of Investment Portfolio are presented at their amortized cost which approximates the fair value. Accrued interest for bonds is disclosed separately on the Statements of Financial Position.

f) Foreign Exchange

The value of investments and other assets and liabilities denominated in foreign currencies is translated into Canadian dollars, which is the Funds' functional and presentation currency (except for CIBC U.S. Dollar Money Market Fund, CIBC U.S. Dollar Managed Income Portfolio, CIBC U.S. Dollar Managed Balanced Portfolio, and CIBC U.S. Dollar Managed Growth Portfolio, which are valued in U.S. dollars) at the current rates prevailing on each valuation date.

Purchases and sales of investments, income, and expenses are translated into Canadian dollars, which is the Funds' functional and presentation currency (with the exception of the above-mentioned Funds which are valued in U.S. dollars) at the foreign exchange rates prevailing on the dates of such transactions. Foreign currency translation gains (losses) on investments and income transactions are included in Net realized gain (loss) on foreign currency and in Income, respectively, on the Statements of Comprehensive Income.

g) Forward Foreign Currency Contracts

The Funds may enter into forward foreign currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities.

Changes in the fair value of forward foreign currency contracts are included in derivative assets or derivative liabilities on the Statements of Financial Position, and are recorded as an Increase (decrease) in unrealized appreciation (depreciation) of investments and derivatives during the applicable period on the Statements of Comprehensive Income.

The gain or loss arising from the difference between the value of the original forward foreign currency contract and the value of such contract at close or delivery is realized and recorded as Net realized gain (loss) on foreign currency for Funds that use the forward foreign currency contracts for hedging, or as Derivative income (loss) from forward foreign currency contracts for Funds that do not use the forward foreign currency contracts for hedging.

h) Futures Contracts

The margin deposits with brokers relating to futures contracts are included in Margin on the Statements of Financial Position. Any change in the margin requirement is settled daily and included in Receivable for portfolio securities sold or Payable for portfolio securities purchased on the Statements of Financial Position.

Any difference between the settlement value at the close of business on each valuation date and the settlement value at the close of business on the previous valuation date is recorded as Derivative income (loss) from futures contracts on the Statements of Comprehensive Income.

i) Options

Premiums paid for purchased call and put options are included in derivative assets and subsequently measured at fair value on the Statements of Financial Position. When a purchased option expires, the Fund will realize a loss in the amount of the cost of the option. For a closing transaction, the Fund will realize a gain or loss depending on whether the proceeds are greater or less than the premium paid at the time of purchase. When a purchased call option is exercised, the cost of the security purchased is increased by the premium paid at the time of purchase.

Premiums received from writing options are included in derivative liabilities and subsequently measured at fair value on the Statements of Financial Position as initial reductions in the value of investments. Premiums received from writing options that expire unexercised are recorded as realized gains and reported as Net gain (loss) on sale of investments and derivatives on the Statements of Comprehensive Income. For a closing transaction, if the cost of closing the transaction exceeds the premium received, the Fund will record a realized loss or, if the premium received at the time the option was written is greater than the amount paid, the Fund will record a realized gain and is reported as Net gain (loss) on sale of investments and derivatives. If a written put option is exercised, the cost for the security delivered is reduced by the premiums received at the time the option was written.

j) Securities Lending

A Fund may lend portfolio securities in order to earn additional revenue, which is disclosed on the Statements of Comprehensive Income. The loaned assets of any one Fund are not permitted to exceed 50% of the fair value of the assets of that Fund (excluding collateral debt for the loaned securities). The minimum allowable collateral is 102% of the fair value of the loaned securities as per the requirements of National Instrument 81-102 – *Investment Funds*. Collateral can consist of the following:

i) Cash.

ii) Qualified securities.

iii) Irrevocable letters of credit issued by a Canadian financial institution that is not the counterparty, or an affiliate counterparty, of the fund in the transaction, if evidences of indebtedness of the Canadian financial institution that are rated as short-term debt by an approved credit rating organization have an approved credit rating.

iv) Securities that are immediately convertible into securities of the same issuer, class, or type, and the same term, as the securities loaned.

The fair value of the loaned securities is determined on the close of any valuation date and any additional required collateral is delivered to the Fund on the next business day. The securities on loan continue to be included on the Schedule of Investment Portfolio and are included in the total value on the Statements of Financial Position in Investments (non-derivative financial assets) at fair value. Where applicable, a Fund's securities lending transactions are reported in footnote *Securities Lending* on the Statements of Financial Position.

Changes to National Instrument 81-106 – *Investment Fund Continuous Disclosure* took effect for Funds with a financial year beginning on or after January 1, 2016. Those changes now require a reconciliation of the gross amount generated from the securities lending transactions of the Funds to the revenue from securities lending disclosed in the Funds' Statements of Comprehensive Income. The gross amount generated from securities lending includes interest paid on collateral, withholding taxes deducted, the fees paid to the Funds' lending agent and the securities lending revenue received by the Funds. Where applicable, the reconciliation can be found in the footnotes to the Funds' Statements of Comprehensive Income.

k) Multi-Class Structured Funds

The realized and unrealized capital gains or losses, income, and common expenses (other than class-specific operating expenses and management fees) of the Fund are allocated on each valuation date to the unitholders in proportion to the respective prior day's net asset value, which includes unitholder trades dated for that day, of each class of units at the date on which the allocation is made. All class-specific operating expenses and management fees do not require allocation. All class-specific operating expenses are paid by the Manager and are collected from the Funds on a recoverable basis.

l) Loans and Receivables, Other Assets and Liabilities

Loans and Receivables, other assets and liabilities (other than those classified as FVTPL) are recorded at cost, which approximates their fair value, with the exception of net assets attributable to holders of redeemable units which are presented at the redemption value.

m) Legend of Abbreviations

The following is a list of abbreviations (foreign currency translation and others) that may be used on the Schedule of Investment Portfolio:

Currency Abbreviations

AED – United Arab Emirates Dirham
ARS – Argentine Peso
AUD – Australian Dollar
BRL – Brazilian Real
CAD – Canadian Dollar
CHF – Swiss Franc
CLP – Chilean Peso
CNY – Chinese Renminbi
COP – Colombian Peso
KRW – South Korean Won
MAD – Morocco Dirham
MXN – Mexican Peso
MYR – Malaysian Ringgit
NOK – Norwegian Krone
NZD – New Zealand Dollar
PEN – Peruvian Nuevo Sol
PHP – Philippine Peso
PKR – Pakistan Rupee

CZK – Czech Koruna
DKK – Danish Krone
EGP – Egyptian Pound
EUR – Euro
GBP – British Pound
HKD – Hong Kong Dollar
HUF – Hungarian Forint
IDR – Indonesian Rupiah
ILS – Israeli Shekel
INR – Indian Rupee
JOD – Jordanian Dinars
JPY – Japanese Yen
PLN – Polish Zloty
QAR – Qatari Riyal
RUB – Russian Ruble
SEK – Swedish Krona
SGD – Singapore Dollar
THB – Thai Baht
TRY – New Turkish Lira
TWD – Taiwan Dollar
USD – United States Dollar
VEF – Venezuelan Bolivar Fuerte
ZAR – South African Rand

Other Abbreviations

ADR – American Depositary Receipt
CVO – Contingent Value Obligations
ETF – Exchange-Traded Fund
GDR – Global Depositary Receipt Securities
NVDR – Non-Voting Depositary Receipt

n) Standards Issued but not yet Effective

Standards issued but not yet effective up to the date of issuance of the Funds' financial statements are listed below. The Funds intend to adopt applicable standards when they become effective.

IFRS 9, *Financial Instruments - Classification and Measurement*

In July 2014, the IASB issued the final version of IFRS 9, *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS 39, F*inancial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Manager has reviewed the requirements for transition to IFRS 9 and there are no material impacts anticipated for the Funds.

o) Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit of each class is calculated by dividing the Increase (decrease) in net assets attributable to holders of redeemable units (excluding distributions), as reported on the Statements of Comprehensive Income, by the weighted average number of units in issue during the related period.

3. Valuation of Investments

The valuation date (*Valuation Date*) for a Fund is any day when the Manager's head office is open for business. The Manager may, at its discretion, establish other Valuation Dates.

The value of the investments or assets of a Fund is determined as follows:

a) Cash and Other Assets

Cash, accounts receivable, dividends receivable, distributions receivable, and interest receivable are valued at fair value or at their recorded cost, plus or minus any foreign exchange between recognition of the asset by the Fund and the current Valuation Date, which approximates fair value.

b) Bonds, Debentures, and Other Debt Obligations

Bonds, debentures, and other debt obligations are fair valued using the last traded price provided by a recognized vendor upon the close of trading on a Valuation Date, whereby the last traded price falls within that day's bid-ask spread. If the last traded price does not fall within that day's bid-ask spread, the Manager will then determine the price that is most representative of fair value based on the specific facts and circumstances.

c) Listed Securities, Unlisted Securities, Gold Bullion and Fair Value Pricing of Foreign Securities

Any security that is listed or traded on a securities exchange is fair valued using the last traded price, whereby the last traded price falls within that day's bid-ask spread or, if there is no traded price on that exchange or the last traded price does not fall within that day's bid-ask spread and in the case of securities traded on an OTC market, at the fair value as determined by the Manager as an appropriate basis for valuation. In such situations, a fair value will be determined by the Manager to establish current value. If any securities are inter-listed or traded on more than one exchange or market, the Manager will use the principal exchange or market for the fair value of such securities.

Units of each mutual fund in which a Fund invests will be valued at fair value using the most recent net asset value quoted by the Trustee or Manager of the mutual fund on the Valuation Date.

Unlisted securities are fair valued using the last traded price quoted by a recognized dealer, or the Manager may determine a price that more accurately reflects the fair value of these securities if the Manager feels the last traded price does not reflect fair value.

Gold bullion, which is listed and traded on a securities exchange is fair valued using the last traded price, whereby the last traded price falls within that day's bid-ask spread. If there is no traded price on a securities exchange or if the last traded price does not fall within that day's bid-ask spread, the fair value is determined by the Manager.

Fair value pricing is designed to avoid stale prices and to provide a more accurate fair value, and may assist in the deterrence of harmful short-term or excessive trading in the Fund. When securities listed or traded on markets or exchanges that close prior to North or South American markets or exchanges are valued by the Manager at their fair market value, instead of using quoted or published prices, the prices of such securities used to calculate the Fund's net assets or net asset value may differ from quoted or published prices of such securities.

d) Derivatives

Long positions in options, debt-like securities, and listed warrants are fair valued using the last traded price as established on either their principal trading exchange or by a recognized dealer in such securities, whereby the last traded price falls within that day's bid-ask spread and the credit rating of each counterparty (as rated by S&P Global Ratings, a division of S&P Global) meets or exceeds the minimum designated rating.

When any option is written by any Fund, the premium received by the Fund will be reflected as a liability that will be valued at an amount equal to the current fair value of the option that would have the effect of closing the position. Any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment; the liability shall be deducted in arriving at the net assets attributable to holders of redeemable units of the Fund. The securities that are the subject of a written option, if any, will be valued in the manner described above for listed securities.

Futures contracts, forward contracts, or swaps will be valued at fair value of the gain or loss, if any, that would be realized on the Valuation Date if the position in the futures contracts, forward contracts, or swaps were to be closed out.

Margin paid or deposited in respect of futures contracts and forward contracts will be reflected as an account receivable and margin consisting of assets other than cash will be noted as held as collateral.

Other derivatives and margin are fair valued in a manner that the Manager determines to represent their fair value.

e) Restricted Securities

Restricted securities purchased by any Fund will be fair valued in a manner that the Manager determines to represent their fair value.

f) Other Investments

All other investments of the Funds will be fair valued in accordance with the laws of the Canadian securities regulatory authorities where applicable.

The value of any security or other property of a Fund for which a market quotation is not readily available or where the market quotations do not properly reflect the fair value of such securities will be determined by the Manager by valuing the securities at their fair value. In such situations, fair value will be determined using fair valuation techniques that most accurately reflect their fair value as established by the Manager.

4. Interest in Underlying Funds

The Funds may invest in other investment funds (Underlying Funds). Each Underlying Fund invests in a portfolio of assets to generate returns in the form of investment income and capital appreciation for its unitholders. Each Underlying Fund finances its operations primarily through the issuance of redeemable units, which are puttable at the unitholder's option and entitle the unitholder to a proportionate share of the Underlying Fund's net assets. The funds' interests in Underlying Funds held in the form of redeemable units, are reported in their Schedule of Investments at fair value, which represents the Funds' maximum exposure on those investments. The Funds' interests in Underlying Funds as at the prior year period ends are presented in the Financial Instruments Risks - Concentration Risk section in the Supplemental Schedule to Schedule of Investment Portfolio. Distributions earned from Underlying Funds are included in "Investment Income" in the Statements of Comprehensive Income. The total realized and change in unrealized gains (losses) arising from Underlying Funds are also included in the Statements of Comprehensive Income. The Funds do not provide any additional significant financial or other support to Underlying Funds.

Where applicable, the table "Interests in Underlying Funds" presented as part of the Supplemental Schedule to Schedule of Investment Portfolio, provides additional information on the Funds' investments in Underlying Funds where the ownership interest exceeds 20% of each Underlying Fund.

5. Redeemable Units Issued and Outstanding

Each Fund is permitted to have an unlimited number of classes of units and may issue an unlimited number of units of each class. The outstanding units represent the net assets attributable to holders of redeemable units of a Fund. Each unit has no par value and the value of each unit is the net asset value as determined on each valuation date. Settlement of the cost for units issued is completed as per security regulations in place at the time of issue. Distributions made by a Fund and reinvested by unitholders in additional units also constitute issued redeemable units of a Fund.

Units are redeemed at the net assets attributable to holders of a redeemable unit per unit of a Fund. A right to redeem units of a Fund may be suspended with the approval of the Canadian securities regulatory authorities or when normal trading is suspended on a stock, options, or futures exchange within Canada or outside of Canada on which securities or derivatives that make up more than 50% of the value or underlying exposure of the total assets of a Fund, not including any liabilities of a Fund, are traded and when those securities or derivatives are not traded on any other exchange that represents a reasonably practical alternative for a Fund. The Fund is not subject to any externally imposed capital requirements.

The capital received by a Fund is utilized within the respective investment mandate of the Fund. This includes the ability to make liquidity available to satisfy unitholder unit redemption requirements upon a unitholder's request.

Changes in issued and outstanding units for the six-month periods ended June 30, 2017 and 2016 can be found on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

6. Management Fees and Operating Expenses

Management fees are based on the net asset value of the Funds and are calculated daily. Management fees are paid to the Manager in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. The maximum annual management fee expressed as a percentage of the average net asset value for each class of units of the Fund is reported in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income. For Class O units, management fees are negotiated with and paid by, or as directed by, unitholders, or dealers and discretionary managers on behalf of unitholders.

In addition to the management fees, the Funds are responsible for all expenses relating to the operation and conduct of the business of the Funds, including interest, operating, and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager), brokerage fees, commissions, spreads, regulatory fees, Independent Review Committee fees, taxes, audit and legal fees and expenses, safekeeping and custodial fees, investor servicing costs, and costs of unitholder reports, prospectuses, and other reports. All class-specific operating expenses are paid by the Manager and recovered from the Funds. The Funds do not pay a fee to the Trustee.

The Manager may recover from a Fund less than the actual class-specific operating expenses paid by the Manager, resulting in the Manager absorbing class-specific expenses. The Manager may also charge to a Fund less than the maximum management fee in footnote *Maximum Chargeable Annual Management Fee Rates* on the Statements of Comprehensive Income, resulting in the Manager waiving management fees.

At its sole discretion, the Manager may stop absorbing class-specific operating expenses and/or waiving management fees at any time. Class-specific operating expenses absorbed and/or management fees waived by the Manager are disclosed on the Statements of Comprehensive Income.

In some cases, the Manager may charge management fees to a Fund that are less than the management fees the Manager is entitled to charge in respect of certain investors in a Fund. The difference in the amount of the management fees will be paid out by the Fund to the applicable investors as a distribution of additional units of the Fund (*Management Fee Distributions*). Management Fee Distributions are negotiable between the Manager and the investor and are dependent primarily on the size of the investor's investment in the Fund. Management Fee Distributions paid to qualified investors do not adversely impact the Fund or any of the Fund's other investors. The Manager may increase or decrease the amount of Management Fee Distributions to certain investors from time to time.

Where a Fund invests in units of an Underlying fund, the Fund does not pay duplicate management fees on the portion of its assets that it invests in units of the Underlying Fund. In addition, the Fund will not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of units of the Underlying Fund. Some of the Underlying Funds held by the Funds may offer Management Fee Distributions. Such Management Fee Distributions of an Underlying Fund will be paid out as required for taxable distribution payments by a Fund. The manager of an Underlying Fund may, in some cases, waive a portion of an Underlying Fund's management fee and/or absorb a portion of an Underlying Fund's operating expenses.

7. Income Taxes and Withholding Taxes

The Funds qualify as mutual fund trusts under the *Income Tax Act* (Canada). No income tax is payable by the Funds on net income and/or net realized capital gains that are distributed to unitholders. In addition, income taxes payable on undistributed net realized capital gains are refundable on a formula basis when units of the Funds are redeemed. Sufficient net income and realized capital gains of the Funds have been, or will be, distributed to the unitholders such that no tax is payable by the Funds and, accordingly, no provision for income taxes has been made in the financial statements. Occasionally, a Fund may pay distributions in excess of the net income and net realized capital gains of the Fund. This excess distribution is called a return of capital and is non-taxable to the unitholder. However, a return of capital reduces the average cost of the unitholder's units for tax purposes, which may result in a capital gain to the unitholder to the extent the average cost becomes less than zero.

CIBC U.S. Dollar Money Market Fund, CIBC U.S. Dollar Managed Income Portfolio, CIBC U.S. Dollar Managed Balanced Portfolio, and CIBC U.S. Dollar Managed Growth Portfolio may realize net foreign currency gains and losses on the translation of their net realized capital gains to Canadian dollars for tax purposes. These gains will be distributed to investors annually unless these Funds elect to retain them, with the result that the tax would be payable by the Funds.

Non-capital losses that arose in 2006 and thereafter are available to be carried forward for 20 years.

Capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years. Where applicable, a Fund's net capital and non-capital losses are reported in Canadian dollars in the footnote *Net Capital and Non-Capital Losses* on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

The Funds have a taxation year-end of December 15 (except for CIBC Canadian T-Bill Fund, CIBC Money Market Fund, CIBC U.S. Dollar Money Market Fund which have a taxation year-end of December 31).

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

8. Brokerage Commissions and Fees

The total commissions paid by the Funds to brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund where applicable. In allocating brokerage business, consideration may be given by the portfolio advisor or the portfolio sub-advisors of the Funds to dealers that furnish research, statistical analysis, and other securities to portfolio advisors and portfolio sub-advisors that process trades through such dealers (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the portfolio advisors and portfolio sub-advisors with their investment decision-making services to the Funds. The total soft dollar payments paid by the Funds to brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Fund. Any commission recaptured will be paid to the applicable Fund.

Fixed income and certain other securities are transacted in an OTC market, where participants are dealing as principals. Such securities are generally traded on a net basis and do not normally involve brokerage commissions, but will typically include a "spread" (being the difference between the bid and the offer prices on the security of the applicable marketplace).

Spreads associated with fixed income securities trading and certain other securities are not ascertainable and, for that reason, are not included in the dollar amounts. In addition, the soft dollar amounts only include the value of research and other services supplied by a third party to CIBC Asset Management Inc. (*CAMI* or the *Portfolio Advisor*) and any portfolio sub-advisors, as the value of the services supplied to the Portfolio Advisor and any portfolio sub-advisors by the dealer is not ascertainable. When these services benefit more than one Fund, the costs are allocated among the Funds based on transaction activity or some other fair basis as determined by the Portfolio Advisor and any portfolio sub-advisors.

9. Related Party Transactions

CIBC and its affiliates have the following roles and responsibilities with respect to the Funds and receive the fees described below in connection with their roles and responsibilities. The Funds may hold securities of CIBC. CIBC and its affiliates may also be involved in underwriting or lending to issuers of securities that may be held by the Funds, have purchased or sold securities from or to the Funds while acting as principal, have purchased or sold securities from or to the Funds on behalf of another investment fund managed by CIBC or an affiliate, and also may have been involved as a counterparty to derivative transactions. Management fees payable and other accrued expenses on the Statements of Financial Position are amounts generally payable to a related party of the Fund.

Manager, Trustee, Portfolio Advisor, and certain Portfolio Sub-Advisors of the Funds

CIBC is the Manager, CIBC Trust Corporation is the Trustee, and CAMI is the Portfolio Advisor of each of the Funds.

The Manager also arranges for fund administrative services (other than advertising and promotional, which are the responsibility of the Manager), legal, investor servicing, and costs of unitholder reports, prospectuses, and other reports. The Manager is the registrar and transfer agent for the Funds and provides, or arranges for the provision of, all other administrative services required by the Funds. The dollar amount (including all applicable taxes) of all fund administrative expenses (net of absorptions) that the Manager recovers from a Fund is reported in footnote *Administrative and Other Fund Operating Expenses* on the Statements of Comprehensive Income.

Brokerage Arrangements and Soft Dollars

The Portfolio Advisor generally delegates trading and execution authority to the portfolio sub-advisors.

The Portfolio Advisor and 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 and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor or portfolio sub-advisors to CIBC World Markets Inc. and CIBC World Markets Corp., each a subsidiary of CIBC. The total commissions paid to related brokers in connection with portfolio transactions are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund.

CIBC World Markets Inc. and CIBC World Markets Corp. may also earn spreads on the sale of fixed income and other securities, and certain derivative products to the Funds. Dealers, including CIBC World Markets Inc. and CIBC World Markets Corp., may furnish goods and services, other than order execution, to the Portfolio Advisor and portfolio sub-advisors that process trades through them (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of brokerage commissions and assist the Portfolio Advisor and portfolio sub-advisors with their investment decision-making services to the Fund or relate directly to executing portfolio transactions on behalf of the Fund. As per terms of the portfolio sub-advisory agreements, such soft dollar arrangements are in compliance with applicable laws. Custodial fees directly related to portfolio transactions incurred by a Fund, otherwise payable by the Fund, shall be paid by CAMI, and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Fund, or a portion of the Fund, during that month. The total soft dollar payments paid by the Fund to related brokers are reported in footnote *Brokerage Commissions and Fees* on the Statements of Comprehensive Income of each Fund. In addition, the Manager may enter into commission recapture arrangements with certain dealers with respect to the Funds. Any commission recaptured will be paid to the relevant Fund.

Custodian

The custodian holds all cash and securities for the Funds 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 Funds including record keeping and processing of foreign exchange transactions. CIBC Mellon Trust Company is the custodian of the Funds (the *Custodian*). The Custodian may hire sub-custodians for the Funds. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by a Fund, or a portion of a Fund, 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 on behalf of the Funds during that month. All other fees for the services of the Custodian are paid by the Manager, and charged to the Funds on a recoverable basis. CIBC owns a 50% interest in CIBC Mellon Trust Company.

Service Provider

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

The dollar amount paid by the Funds (including all applicable taxes) to CIBC Mellon Trust Company for custodial fees (net of absorptions) and to CIBC GSS for securities lending, fund accounting and reporting, and portfolio valuation (net of absorptions) for the six-month periods ended June 30, 2017 and 2016 is reported in footnote *Service Provider* on the Statements of Comprehensive Income.

10. Hedging

Certain foreign currency denominated positions have been hedged, or partially hedged, by forward foreign currency contracts as part of the investment strategies of certain Funds. These hedges are indicated by a hedging reference number on the Schedule of Investment Portfolio and a corresponding hedging reference number on the Schedule of Derivative Assets and Liabilities - Forward Foreign Currency Contracts for those Funds.

11. Collateral on Specified Derivatives

Short-term investments may be used as collateral for futures contracts outstanding with brokers.

12. Revision of Comparative Information

Where applicable, certain comparative figures on the Statements of Cash Flows were revised for the prior period. Amounts reclassified to Reinvested distributions from underlying funds have been presented separately from amounts related to Purchases of investments to appropriately reflect the non-cash components of investments purchased. The impact on the Cash Flows from Operating Activities is nil.

The Fund is not sponsored, endorsed, or promoted by Morgan Stanley Capital International Inc. "MSCI" and MSCI bear no liability with respect to such Fund or any index on which such Fund is based. The simplified prospectus contains a more detailed description of the limited relationship MSCI has with CIBC, CIBC Asset Management Inc., and any related funds.

CIBC Mutual Funds
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