

LONG FORM NOTICE

CANADIAN IMPERIAL BANK OF COMMERCE (“CIBC”) SECURITIES CLASS ACTION NOTICE OF SETTLEMENT APPROVAL HEARING WITH CANADIAN IMPERIAL BANK OF COMMERCE (“CIBC”)

Read this notice carefully as it may affect your legal rights

This notice is directed to: All persons, wherever they may reside or be domiciled (except residents of the United States of America) who purchased common shares* of CIBC on the Toronto Stock Exchange during the period **from and including May 31, 2007 to and including February 28, 2008** (the “Class Period”) and still held any of those acquired CIBC common shares at the close of trading on the Toronto Stock Exchange on any or all of November 9, 2007, November 13, 2007, November 14, 2007, November 19, 2007, December 5, 2007 and, or December 6, 2007 (“Public Disclosure Dates”), other than certain **Excluded Persons*** and those who validly opted out pursuant to the notice of certification issued on October 5, 2016 (“Class Members”).

***Purchased common shares** includes CIBC common shares purchased through the CIBC dividend re-investment plan

***Excluded Persons** include CIBC and its past and present subsidiaries, affiliates, officers, directors, legal representatives, heirs, predecessors, successors and assigns, and any spouse or child of the Individual Defendants, and any person who validly opted out of the Class.

PURPOSE OF THIS NOTICE

A class action which was brought on behalf of Class Members has settled, subject to Court Approval. This Notice provides Class Members with information about the Settlement and their rights to participate in the court proceedings considering whether to approve it.

THE ACTION

In 2008, a class action was commenced in the Ontario Superior Court of Justice (the “Court”) against CIBC and certain of its officers (the “Individual Defendants”, the “Action”).

The Action alleged that, during the Class Period, CIBC misrepresented or failed to disclose in certain quarterly financial statements and MD&A, public oral statements and filings with securities regulators, material information relating to CIBC’s investments in and exposure to United States residential mortgage-backed securities (“US RMBS”). The Action alleged that these public oral statements and filings with securities regulators by CIBC during the Class Period contained statements that were false or materially misleading. It was alleged that CIBC’s own common shares therefore traded at artificially inflated prices during the Class Period, resulting in damage to Class Members when information relating to those alleged misrepresentations was publicly disclosed. CIBC and the Individual Defendants denied all allegations.

By order dated February 3, 2014, the Court of Appeal for Ontario granted the Plaintiffs leave to proceed with the Action under Part XXIII.1 of the Ontario *Securities Act* and certified the Action as a class proceeding on behalf of the Class Members.

By order of the Ontario Superior Court of Justice dated September 13, 2016, Class Members were afforded the right to exclude themselves or “opt out” of the Class by no later than January 3, 2017. **Persons who validly exercised the right to opt out are not Class Members, are not affected by this notice and may not participate in the Settlement.**

Since then, the Action has been vigorously litigated. On December 2, 2021, the Plaintiffs and CIBC executed a Settlement Agreement providing for the settlement of the Action (the "Settlement"), which is subject to approval by the Court. The Settlement Agreement provides for the payment of \$125,000,000.00 CAD (the "Settlement Amount") in consideration of the full and final settlement of the claims of Class Members. The Settlement Amount includes all legal fees, disbursements, taxes, administration expenses, and the levy payable to the Class Proceedings Fund of the Ontario Law Foundation.

The Settlement provides that if it is approved by the Court, the claims of all Class Members asserted, or which could have been asserted in the Action will be fully and finally released and the Action will be dismissed. The Settlement is not an admission of liability, wrongdoing or fault on the part of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

SETTLEMENT APPROVAL HEARING

The Settlement is conditional on approval by the Court. The Settlement will be approved if the Court determines that it is fair and reasonable and in the best interests of Class Members to approve it.

The Court will hear a motion for approval of the Settlement on **January 12, 2022 at 10 a.m.** or such other time as to be determined by the Court, at the Ontario Superior Court of Justice Courthouse, 130 Queen St. West, Toronto, ON, M5G 1E6. Depending on COVID-19 protocols in place on the hearing date, the Settlement approval hearing will be held in-person and/or remotely via ZOOM. For those wishing to attend the hearing via ZOOM, the Administrator will publish a ZOOM link on the day before the scheduled hearing date at the following website: **www.CIBCSecuritiesSettlement.ca**.

RELEASE OF CLAIMS AND EFFECT ON OTHER PROCEEDINGS

If the Settlement Agreement is approved by the Court, the claims of Class Members which were asserted, or which could have been asserted in the Action will be released and the Action will be dismissed. Class Members will not be able to pursue individual or class actions in relation to the matters alleged in the Action regardless of whether or not they file a claim for compensation from the Settlement. **If approved, the Settlement will therefore represent the only means of compensation available to Class Members in respect of the claims asserted in the Action.**

DISTRIBUTION PROTOCOL

If the Settlement Agreement is approved by the Court, the Settlement Amount, after deduction of Class Counsel Fees and expenses, payments owed to the Ontario Class Proceedings Fund and Administration Expenses (the "Net Settlement Amount") will be distributed to Class Members in accordance with the Distribution Protocol, subject to the Court's approval.

The Settlement provides that to qualify for compensation, Class Members will be required to submit a properly completed Claim Form to the Administrator within the time prescribed by the Court. Each Class Member who submits a valid and timely Claim Form will be entitled to receive compensation calculated in accordance with the Distribution Protocol. If the Settlement is approved by the Court, a further notice will be published which will include instructions on how Class Members can file their Claim Forms and the deadline for doing so. This information will be readily available at the following website **www.CIBCSecuritiesSettlement.ca**.

The proposed Distribution Protocol provides that in order to determine the individual entitlements of Class Members who make claims, the losses of each claimant will be calculated in accordance with a formula based on the statutory damages provisions contained in the Ontario *Securities Act*. Once the notional losses of all Class Members who have filed valid claims have been calculated, the Net Settlement Amount will be allocated to those Class Members in proportion to their percentage of the total notional losses calculated for all valid claims filed. Because the Net

Settlement Amount will be distributed *pro rata*, it is not possible to estimate the individual recovery of any individual Class Member until all the claims have been received and reviewed.

In the event any amounts remain undistributed 180 days after the distribution of the Net Settlement Amount (because of uncashed cheques or for other administrative reasons), those amounts will be distributed to eligible Class Members (if sufficient to warrant a further distribution) or allocated in a manner approved by the Court.

The approval of the Settlement is not contingent on the approval of the Distribution Protocol. The Court may still approve the Settlement even if it does not approve the Distribution Protocol.

APPROVAL OF CLASS COUNSEL FEES AND ESTIMATES

In addition to seeking the Court's approval of the Settlement Agreement, Class Counsel will seek the Court's approval of legal fees not to exceed 30% of the Settlement Fund ("Class Counsel Fees"), plus disbursements to be determined, and applicable taxes. This fee request is in accordance with the retainer agreements entered into between Class Counsel and the Representative Plaintiffs at the beginning of the litigation. Class Counsel conducted this Class Action on a contingent fee basis.

Class Counsel was not paid as the matter proceeded and will remain unpaid until Class Counsel Fees are approved by the Court.

Funding of certain major expenses (including, some, but not all, expert fees but not class counsel fees) and any adverse costs awards was provided by the Class Proceedings Fund of the Law Foundation of Ontario. Pursuant to section 10 of Ontario Regulation 771/92 of the *Law Society Act*, the Class Proceedings Fund is entitled to payment of a levy from the Settlement Amount which is equal to the sum of the financial support that it provided to the Class Action plus 10% of the Settlement Amount (less counsel fees, administration expenses and the disbursement funding which is returned to the Class Proceedings Fund). If the Settlement Agreement is approved, this amount will be approximately \$125,000,000 CAD. This amount cannot be more precisely calculated at this time because of undetermined variables such as Administration Expenses and Class Counsel Fees).

The approval of the Settlement is not contingent on the approval of the Class Counsel Fees requested. The Settlement may still be approved even if the requested Class Counsel Fees are not approved.

The fees of the Administrator, together with any other costs relating to approval, notification, implementation and administration of the settlement ("Administration Expenses"), will also be paid from the Settlement Fund.

CLASS MEMBERS' RIGHT TO PARTICIPATE IN THE MOTIONS FOR APPROVAL

Class Counsel has posted or will post the following material on its website **www.rochongenova.com** on or before the dates set out below:

1. The Settlement Agreement (including the proposed Distribution Protocol) posted prior to or on December 6, 2021;
2. A summary of the basis upon which Class Counsel recommends the Settlement and Distribution Protocol as of December 6, 2021;
3. Sample calculations of notional entitlement calculated using the Distribution Protocol as of December 6, 2021;
4. The Plaintiffs' evidence and written argument in support of the approval of the Settlement and Distribution Protocol by December 28, 2021; and
5. Class Counsel's evidence and written argument in support of the request for approval of Class Counsel's fees and disbursements by December 28, 2021.

Class Members who wish to comment on, or make an objection to, the approval of the Settlement

Agreement, Distribution Protocol, or requested Class Counsel Fees may deliver a written submission to Class Counsel, at the address listed below, **no later than January 7, 2022**. Any objections delivered by that date will be filed with the Court.

Class Members may attend the hearings in-person or via ZOOM depending on COVID-19 protocols which may be in place on the date of the Settlement approval hearing, whether or not they deliver an objection. The Courts may permit Class Members to participate in the hearings whether or not they deliver an objection. Class Members who wish a lawyer to speak on their behalf at those hearings may retain one to do so at their own expense.

CLASS COUNSEL

Class members are represented by Rochon Genova LLP.

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ADMINISTRATOR

For further information please visit **www.CIBCSecuritiesSettlement.ca** or contact the Administrator at 1-833-871-5361 or by email at info@CIBCSecuritiesSettlement.ca.

INTERPRETATION

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

**PUBLICATION OF THIS NOTICE HAS BEEN AUTHORIZED
BY THE ONTARIO SUPERIOR COURT OF JUSTICE**