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TO: British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumers Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission (New Brunswick)
Office of the Superintendent of Securities, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Newfoundland and Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Office of the Superintendent of Securities, Nunavut

The Secretary
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Me Anne-Marie Beaudoin
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Dear Sirs/Mesdames:

Re: Implementation of Stage 3 of Point of Sale Disclosure for Mutual Funds – Point of Sale Delivery of Fund Facts, Proposed Amendments to National Instrument 81-101 Mutual Fund Prospectus Disclosure (the “Proposed Amendments”)

The Canadian Imperial Bank of Commerce and its affiliates (collectively, “CIBC”) appreciate the opportunity to provide comments with respect to the above noted Proposed Amendments. CIBC provides a broad range of investment products and services to investors through mutual funds, pooled funds and separately managed portfolios and therefore has a direct interest in the Proposed Amendments. We agree with the Canadian Securities Administrators’ (“CSA”) overarching goal to provide more meaningful information to investors so that they may make informed investment

decisions. Set out below are our responses to certain questions posed by the CSA in regards to the Proposed Amendments.

Exceptions from Pre-Sale Delivery of the Fund Facts

The CSA sought feedback on whether post-sale delivery of the Fund Facts should be allowed in certain limited circumstances.

We support the CSA's decision to exempt dealers from the requirement to pre-deliver Fund Facts where it would be impracticable to do so. We believe any upfront verbal disclosure should be simple, clear and aimed at protecting investors. We agree with the recommendation under the Proposed Amendments that the dealer must inform the purchaser of the existence and purpose of the Fund Facts, explain the dealer's obligation of pre-sale delivery of the Fund Facts and the purchaser's rights of withdrawal or rescission under securities legislation. However, we do not believe the prescriptive verbal disclosure requirements set out in section 3.2.1.1(3)(e) of the Proposed Amendments are necessary to ensure the purchaser understands the contents of the Fund Facts before proceeding with the trade; in fact, these requirements may lead to client confusion. Rather, the CSA should allow a degree of discretion for the dealer to determine the pertinent information in the Fund Facts that should be raised to the purchaser, in particular, given the fact that CRM-2 will already prescribe certain disclosures (with respect to fees) that must be made to the purchaser pre-sale.

Transition Period

The CSA requested feedback with respect to the proposed transition period for full implementation of the Proposed Amendments, as well as feedback regarding a single switch-over date for implementing pre-sale delivery of the Fund Facts.

We do not believe a three months, sixth months or one year transition period from the date the Proposed Amendments are finalized is sufficient to allow for the implementation of system changes required to facilitate the pre-sale delivery of Fund Facts. The financial industry is currently in a period of substantial regulatory change, as a result of multiple, concurrent securities and tax-driven initiatives. To address all of these changes in a way that ensures client needs continue to be met requires significant resources and large scale technology development. In order for CIBC to properly implement the Proposed Amendments in conjunction with other new regulatory obligations, including the cost and performance reporting amendments to National Instrument 31-103 that are being implemented over the next two years, we believe the transition period should be, at minimum, 18 months from the date the Proposed Amendments are finalized.

With respect to a switch-over date, CIBC recommends that the Proposed Amendments not be implemented during the period between December and March as this coincides with the holiday season and RRSP season, both of which give rise to higher client demands on dealers and advisors. We recommend an early summer switch-over date to provide dealers and advisors with an opportunity to adjust to the new system changes.

We appreciate this opportunity to provide our comments on the Proposed Amendments.

Yours truly,

/s/ Paul Bent

Paul Bent
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