



Dear Unitholder:

The independent committee of the funds (collectively, the “Funds” and individually, a “Fund”) managed by Canadian Imperial Bank of Commerce (“CIBC”) and CIBC Asset Management Inc. (“CAMI”) was established pursuant to *National Instrument 81-107–Independent Review Committee for Investment Funds* (“NI 81-107”) as the Independent Review Committee (the “IRC”) on April 27, 2007.

Securities regulators have given the IRC a mandate to review mutual fund conflict of interest matters identified and referred to the IRC by CIBC and CAMI and to give its approval or recommendation, depending on the conflict of interest matter. The IRC’s focus is on the question of whether the manager’s proposed action in a conflict of interest matter achieves a fair and reasonable result for the mutual fund.

The members of the IRC have expertise in a variety of fields, including financial institutions, investment funds, other investment businesses, legal and accounting.

At least once a year, the IRC reviews and assesses the adequacy and effectiveness of the policies relating to conflict of interest matters in respect of the Funds, and conducts a self-assessment of the IRC’s independence, compensation and effectiveness. The report that follows, prepared as of December 31, 2008, is the second annual report to unitholders of the Funds managed by CIBC (comprising the CIBC Mutual Funds, the CIBC Family of Managed Portfolios and the Imperial Pools) under the requirements of NI 81-107.

The IRC looks forward to continuing to serve in the best interests of the Funds and working effectively with management for the Funds.

John W. Crow

Chair of the Independent Review Committee

February 26, 2009



Member of the IRC	Other Fund Families other than CIBC on whose IRC Member Serves
Name	
John W. Crow Chair of the IRC Toronto, Ontario	Lawrence Family of Funds
Donald W. Hunter, CA Toronto, Ontario	Criterion Investments Family of Funds
Tim Kennish Toronto, Ontario	None
Merle Kriss Toronto, Ontario	None
William Thornhill Mississauga, Ontario	Quadravest Funds

All of the members listed above were appointed to the IRC on April 27, 2007. There have been no changes in the composition of the IRC since that date.

Holdings of Securities:

(a) *Funds*

As at December 31, 2008, the percentage of units of each class of the Funds covered by this report beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed 0.3 per cent for any Fund.

(b) *Manager*

As at December 31, 2008, the percentage of each class or series of voting or equity securities of CIBC beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed 0.1 per cent of all of the issued and outstanding classes or series of voting or equity securities of CIBC. As at the same date, no member of the IRC beneficially owned, directly or indirectly, any issued and outstanding classes or series of voting or equity securities of CAMI.

(c) *Service providers*

As at December 31, 2008, no member of the IRC beneficially owned, directly or indirectly, any class or series of voting or equity securities of a person or company that provides services to the Funds or the manager of the Funds with respect to its fund business.

IRC Compensation and Indemnities

The aggregate compensation paid by the Funds (including Funds managed by CAMI) to the IRC for the twelve-month period, from January 1 to December 31, 2008, was \$282,500. This amount was allocated among the Funds and other investment funds managed by CIBC and/or its affiliates in a manner that is considered by CIBC to be fair and reasonable to the Funds and the other investment funds.

As at the date of this report, each member of the IRC receives an annual retainer of \$50,000 (\$75,000 for the Chair) and \$1,500 for each meeting of the IRC that the member attends in excess of six meetings per year, plus expenses for each meeting. In 2008, the IRC met seven times.



The IRC reviews its compensation on an annual basis giving consideration to the following:

1. industry practice, including industry averages and surveys on IRC compensation;
2. the number, nature and complexity of the Funds for which the IRC acts; and
3. the nature and extent of the workload of each member of the IRC, including the commitment of time and energy that is expected from each member.

The IRC reviewed its compensation on May 22, 2008. The IRC concluded that its compensation was reasonable and, therefore, no change was made. No indemnities were paid to the IRC by the Funds or the manager of the Funds during the period.

Conflict of Interest Matters

The manager identifies and refers conflict of interest matters, along with its proposed action, to the IRC for its review and decision. Depending on the nature of the matter, the decision of the IRC must either be (a) an approval or rejection, or (b) a positive or negative recommendation.

For each matter referred by the manager to the IRC during the twelve-month period from January 1, 2008 to December 31, 2008, the IRC granted an approval or made a positive recommendation. These approvals and recommendations are described below, and were accompanied with standing instructions permitting the manager to engage in the activity on an ongoing basis, subject to compliance with the manager's policies and procedures as reported to and reviewed by the IRC. The manager must report to the IRC on these matters and request the IRC to renew the standing instructions at least annually.

The manager has an obligation to report to the Funds' unitholders any instances in which it acted in a conflict of interest matter but did not meet a condition imposed by the IRC in its approval or recommendation. The IRC is also required to advise the Canadian securities regulatory authorities if it determines that an investment decision was not made in accordance with conditions of its approval. For the period covered in this report, the IRC is not aware of any such instances.

Approvals

In accordance with the requirements of *National Instrument 81-102 – Mutual Funds* ("NI 81-102"), NI 81-107 and exemptive relief orders granted by the Canadian securities regulatory authorities, the IRC has provided approval for the Funds to:

1. Invest in or hold equity securities of CIBC or of issuers related to CIBC or a sub-advisor and purchase debt securities of CIBC or issuers related to CIBC in the secondary market.
2. Invest in the securities of an issuer where CIBC World Markets Inc., CIBC World Markets Corp., or any other affiliate of CIBC (the "Related Dealers") acts as an underwriter during the offering of the securities or at any time during the 60-day period following the completion of the offering of such securities.
3. Purchase equity or debt securities from or sell equity or debt securities to a Related Dealer, where it is acting as principal.
4. Purchase securities from or sell securities to another Fund or pooled fund, segregated account managed by the manager or an affiliate of the manager (referred to as inter-fund trades or cross-trades).

The above actions initially received the IRC's approval in 2007. They were renewed for another year in 2008.

Finally, also in accordance with the requirements of the above-mentioned National Instruments, on May 22, 2008, the IRC provided approval for the manager of the Funds to merge certain Funds where, among other things, the investment objectives, fee structure and valuation procedures of the merging funds were substantially the same. The manager demonstrated to the IRC that each of the mergers:

- was proposed free from any influence by an entity related to the manager and without taking into account any consideration relevant to an entity related to the manager;
- represented the business judgment of the manager uninfluenced by considerations other than the best interests of the terminating Fund;



- was in compliance with the manager's written policies and procedures relating to the mergers; and
- achieved a fair and reasonable result for the terminating Fund.

Recommendations

Listed below are the conflict of interest matters that, as at December 31, 2008, have been identified by the manager for the IRC to consider. For each of the following matters, the IRC has provided the manager a positive recommendation, in the form of standing instructions, to act in accordance with the manager's policies and procedures so that the resolution of these potential conflicts achieves a fair and reasonable result for the Funds.

1. Trading with a Related Broker-Dealer as Agent: Placing trades on behalf of Funds by a portfolio advisor through its related broker-dealers creates a potential conflict of interest, as the Funds absorb the commission costs, while the related broker-dealer receives the income from the commissions paid.
2. Trading Allocation: Trade allocation creates a potential conflict of interest because a portfolio advisor could allocate trades in a manner that favours itself instead of its clients or in a manner that favours one particular client to the detriment of others.
3. Use of Client Brokerage Commission as Payment for Order Execution Services or Research Services ("soft dollar" arrangements): These arrangements are a means for a portfolio advisor, on behalf of its clients, to obtain products or services (most notably, research) from a broker-dealer in exchange for the direction of client brokerage transactions to that same broker-dealer. The use of soft dollars creates a potential conflict of interest since a portfolio advisor could use soft dollars to acquire goods or services that benefit the advisor instead of the Funds it manages.
4. Voting Securities of CIBC: In voting securities of CIBC held by the Funds, a conflict of interest may exist in that the sub-advisors selected by the manager of the Funds may have to choose between supporting the management decisions of CIBC and voting in the best interest of the Funds.
5. Valuing Assets of a Fund and Net Asset Value Errors: The manager of the Funds has a duty to use fair pricing procedures and to identify and fix incorrect calculations of the Funds' net asset values. In valuing assets of a Fund and correcting net asset value errors, there is a potential conflict of interest because the manager may have an incentive to overvalue assets of a Fund.
6. Allocating Fund Expenses: The manager of the Funds recovers from the Funds operating expenses that it pays on behalf of the Funds. There is a potential conflict of interest in allocating Fund expenses because the manager may be motivated to favour one Fund over another or to allocate expenses to Funds that the manager should be bearing itself.
7. Employee Conflicts of Interest: Employees of the manager who have access to non-public information regarding the Funds and who accept gifts and entertainment from clients and suppliers of the Funds are in a conflict of interest position.
8. Large Unitholders: Allowing a large unitholder to invest in a Fund may constitute a conflict of interest because the manager will earn revenues, or gain other benefits, from the assets invested by the large unitholder, while there is the possibility that the trading activities of the unitholder could adversely affect the remaining unitholders of the Fund. As a result, a reasonable person could consider that the manager has an interest that conflicts with its ability to act in good faith and in the best interests of the Fund as a whole.

The above actions initially received the IRC's positive recommendation in 2007. They were renewed for another year in 2008.



Funds covered by this report:

CIBC Mutual Funds

CIBC Canadian T-Bill Fund (formerly CIBC Premium Canadian T-Bill Fund)
CIBC Money Market Fund
CIBC U.S. Dollar Money Market Fund
CIBC High Yield Cash Fund
CIBC Short-Term Income Fund (formerly CIBC Mortgage and 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 (formerly CIBC Diversified Income Fund)
CIBC Dividend Growth Fund (formerly CIBC Dividend Fund)
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Small-Cap Fund (formerly CIBC Capital Appreciation Fund)
CIBC Disciplined U.S. Equity Fund
CIBC U.S. Small Companies Fund
CIBC Global Equity Fund
CIBC Disciplined International Equity Fund
CIBC European Equity Fund
CIBC Emerging Markets Fund (formerly CIBC Emerging Economies Fund)
CIBC Asia Pacific Fund (formerly CIBC Far East Prosperity 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 (formerly CIBC U.S. Equity Index Fund)
CIBC U.S. Index Fund (formerly CIBC U.S. Index RRSP Fund)
CIBC International Index Fund
CIBC European Index Fund
CIBC Emerging Markets Index Fund
CIBC Asia Pacific Index Fund
CIBC Nasdaq Index Fund

CIBC Family of Managed Portfolios

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

Imperial Pools

Imperial Money Market Pool
Imperial Short-Term Bond Pool
Imperial Canadian Bond Pool
Imperial Canadian Dividend Pool
Imperial International Bond Pool
Imperial Canadian Income Trust Pool
Imperial Canadian Dividend Income Pool
Imperial Global Equity Income Pool
Imperial Canadian Equity Pool
Imperial Registered U.S. Equity Index Pool
Imperial U.S. Equity Pool
Imperial Registered International Equity Index Pool
Imperial International Equity Pool
Imperial Overseas Equity Pool
Imperial Emerging Economies Pool