



SUMMARY OF KEY CHANGES TO THE CIBC MUTUAL FUNDS TAX-FREE SAVINGS ACCOUNT DECLARATION OF TRUST FOR PLANS OPENED BETWEEN JULY 13, 2021 AND NOVEMBER 30, 2021

As of December 1, 2021, the Declaration of Trust that governs Your CIBC Mutual Funds Tax-Free Savings Account (TFSA) will be amended to provide You with better clarity and consistency and to make changes required under the Income Tax Act (Canada).

The Declaration of Trust that is in the CIBC Mutual Funds Account Information and Disclosures booklet You received on account opening will govern Your TFSA until November 30, 2021.

The following is a summary of the key changes that we are making to the Declaration of Trust, and We have included a copy of the revised Declaration of Trust for Your records:

- **Structure:** Reorganization of the document structure for better consistency and clarity.
- **Definitions:** New definitions were added to help clarify a number of existing definitions and terms, and in order to match wording in the Income Tax Act (Canada).
- **Registration:** More details were added regarding requirements for registration of the Plan and what happens if the Plan is not registered as a TFSA with the Canada Revenue Agency.
- **Investments:** Clarifying information was added regarding Plan Assets, investments, tax implications and penalties.
- **Foreign Denominated Plan Assets:** New definitions and provisions were added to allow for Foreign Denominated Plan Assets, including conversion, transfers, exchange spread and tax reporting.
- **Your Account and Statements:** Clarifying account statements will be provided in accordance with securities legislation.
- **Management and Ownership:** Clarifies how We hold investments, including that We can vote, or give proxies to vote, which may require You to sign documents prior to Us acting. We can also decline to exercise corporate actions on the investments.
- **Payments, Transfers and Asset Liquidation Generally:** Clarifies that it is up to You to keep sufficient cash in Your Plan to make Payments; if there is insufficient cash in Your Plan to make a Payment, We may sell Plan Assets without Your input in order to do so. All Payments are made net of fees, liabilities and taxes. This provision outlines how the exchange between currencies is effected and confirms that We can earn a spread-based revenue on the exchange, if applicable. We are not required to make a Payment if We determine We might suffer legal and/or reputational risk, or if it may be in violation of any law, rule, regulation, agreement or internal CIBC policy.
- **Payment on Death:** Clarifies that, on Your death, subject to applicable provision, Plan Proceeds will be paid to the Estate Representative unless a successor holder or beneficiary designation, effective in Your jurisdiction is in place as of the date of Your death.
- **Designation of Successor Holder or Other Beneficiary:** Provides that to the extent We offer electronic beneficiary designation, in order for You to provide Us with an Instrument electronically, You must use the electronic system for beneficiary designation provided by Us. Clarifies that it is Your responsibility to ensure any beneficiary designation reflects Your intentions from time to time, and to inform a beneficiary that they have been named on Your Plan. We are under no obligation to seek out Your beneficiaries during Your lifetime or after Your death. It also clarifies that if You name a charity as a beneficiary, it must be incorporated.
- **Death of Holder:** These provisions govern what happens to the Plan upon Your death. It covers disallowing transfers or contributions after Your death; payout of Plan Proceeds; beneficiaries and other information necessary to satisfactorily settle the Plan upon Your death.
- **Minor Designated as Beneficiary:** New provisions governing how Plan Proceeds are paid to a minor upon Your death. It details Your responsibilities when you designate a minor as a beneficiary.



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- **TFSA Benefit Trustee:** New provisions clarifying what it means when You designate trustee(s) as or for the Beneficiary of the Plan.
 - **Non-TFSA Trust:** New definitions and provisions were added that govern what happens if the Plan is not registered as a TFSA with the Canada Revenue Agency or what happens if the Plan is not distributed by the end of the year following the year of Your death (Post-Exempt Trust). A new provision was added, which allows Us to convert the investments to cash (which includes how We hold cash and pay interest, if any), and to charge the costs associated with the necessary filings and payment of tax and an administration fee, and to close a Non-Registered Trust. If the Plan becomes a Post-Exempt Trust, a person designated as a successor holder will only be able to take the Fund Proceeds as beneficiary.
 - **Terminating the Plan:** New provisions governing when and how a Plan can be terminated, including circumstances where We can terminate a Plan at Our discretion.
 - **Delegation by Trustee:** Updated to clarify that all protections, limitations of liability and indemnifications given to the Trustee are also given to and are for the benefit of the Agent.
 - **Our Fees and Expenses:** Revised to clarify fees to which we are entitled and fees and expenses that we are entitled to recover.
 - **Fees and other Benefits to Members of CIBC Group and Affiliates:** A new provision clarifying the fees and benefits that may be earned by the Agent and other members of CIBC Group and affiliates with respect to mutual funds and any other investments held in, or services provided to the Plan.
 - **Our Liability and Your Indemnity:** Confirms the extent of our liability when acting upon written notice that we believe to be genuine and properly signed and presented, Confirms that when Plan Assets are insufficient to cover a claim, You will personally reimburse Us, and We may use other assets held by You within the CIBC Group, other than another TFSA, to reduce or eliminate the claim.
 - **Amendments:** Revised to provide that We may propose to change, either permanently or temporarily, any term of the Declaration (including fees, charges or other amounts required to be paid by You under the Declaration) or replace the Declaration with another declaration, at any time. We will give You written notice of a proposed change and any other information required by law, at least thirty (30) days before the change is stated to come into effect in the notice in accordance with the “Notice to You” provision in the Declaration. You may refuse the change by terminating the Plan without cost, penalty or cancellation indemnity (other than taxes or penalties imposed under the Tax Laws or any third party as a result of Your termination of the Plan, which will remain Your responsibility) by notifying Us within thirty (30) days of the effective date of the change.
 - **Notice:** Updated provisions regarding how notices by You to Us, Notices to You and Notices to Us by Third Parties are to be effected.
 - **Collection, Use and Disclosure of Information:** Clarifies how your information will be collected, used and disclosed.
 - **Electronic writing and signature:** new provisions regarding use of electronic writing and signature.