



## FAQ: The security and strength of our company

### Is CIBC Private Wealth a private company?

CIBC Private Wealth includes the following entities that offer discretionary asset management and additional services to clients: CIBC National Trust Company (a limited-purpose national trust company), CIBC Delaware Trust Company (a Delaware limited-purpose trust company), and CIBC Private Wealth Advisors, Inc. (a registered investment adviser)—all of which are wholly owned subsidiaries of CIBC Private Wealth Group, LLC. CIBC Private Wealth also includes the private banking group of CIBC Bank USA, an Illinois-chartered FDIC-member bank. All of these entities are wholly owned subsidiaries of CIBC (TSX: CM) (NYSE: CM), a leading global financial institution.

### Is CIBC a stable institution?

CIBC is financially strong and well capitalized. Our bank is well diversified with significant access to liquidity to meet client needs. We have a long history of standing by our clients through challenging times, and we will do so again.

CIBC's Capital Ratio (CET1) of 12.2% (as of January 31, 2022) is well above regulatory minimum of 9.0%. In addition, CIBC's Liquidity Coverage Ratio of 123% provides a substantial buffer over and above the regulatory minimum of 100% under stressed conditions. To further support financial institutions, the Bank of Canada has announced a number of programs to support funding and liquidity needs of banks, committing unlimited support, and the Federal Government is working closely with banks to ensure continued strength of the banking system.

Key financial metrics, including capital ratios and, for CIBC Bank USA, deposit ratings are provided below. Please visit [www.cibc.com](http://www.cibc.com), select "About CIBC" and navigate to the Investor Relations page for more information.

#### CIBC (parent company) financial metrics

Adjusted data for quarter ended 01.31.22 (C\$ billions)	
<b>Total Assets</b>	\$861.7
<b>Total Revenue</b>	\$5.5
<b>Net Income</b>	\$1.9
<b>Common Equity Tier 1 Ratio</b>	12.2%
<b>Liquidity Coverage Ratio</b>	123%

#### CIBC Bank USA financial metrics

Data as of 12.31.2021 (US\$ billions)	
<b>Total Assets</b>	\$48.4
<b>Total Liabilities</b>	\$41.1
<b>Bank Equity Capital</b>	\$ 7.4
<b>Total Deposits</b>	\$38.9
<b>Net Loans and Leases</b>	\$28.5
<b>Tier 1 Leverage Ratio</b>	10.14%
<b>Common Equity Tier 1 Ratio</b>	12.68%
<b>Total Capital Ratio</b>	13.81%

	DBRS	MOODYS	S & P	FITCH
<b>Issuer/counterparty</b>	AA	Aa2	A+	AA
<b>Short-term</b>	R-1(high)	P-1	A-1	F1+
<b>Outlook</b>	Stable	Stable	Stable	Stable

Ratings as of 01.31.2022

#### DEPOSIT RATINGS

CIBC Bank USA	LONG-TERM	SHORT_TERM
<b>Moody's</b>	A1	Prime -1
<b>Fitch</b>	AA-	F1+

## Does CIBC Private Wealth maintain insurance?

CIBC Private Wealth Group and its subsidiaries maintain insurance coverage we believe is consistent with industry standards. Among other coverages, CIBC Private Wealth Group and its subsidiaries are covered under a fidelity bond.

## How secure are my assets with CIBC Private Wealth?

The business of CIBC Private Wealth is to manage investment assets for you, our clients. These client assets belong to you; they do not become assets of CIBC Private Wealth Group or its subsidiaries (see below for information on uninvested cash). This means that if CIBC Private Wealth Group or its subsidiaries were ever to fail or become insolvent, these client assets would not be subject to the claims of CIBC Private Wealth Group or subsidiaries' creditors.

CIBC Private Wealth Group and subsidiaries' client assets are held by an independent, third-party custodian, such as Schwab or Fidelity or, where we are custodian, by a third-party sub-custodian. Our trust companies currently use Reliance Trust Company, SEI Trust Company, Schwab and Fidelity to provide custodial services on our behalf. The segregation of client assets and resultant protections described above carry through to our sub-custodians, as well. Your assets, other than uninvested cash, are held in segregated accounts and are not part of the assets of those entities. Accordingly, your assets are not subject to the claims of creditors of those entities, and the failure or insolvency of those entities would not result in the loss of your assets..

If your assets are held by Schwab, Fidelity or another custodian, please contact your relationship manager for further information on the security of your assets.

## What about uninvested cash?

Cash balances in most accounts where CIBC National Trust Company or CIBC Delaware Trust Company is custodian, and some accounts where Fidelity is custodian, are swept nightly into a vehicle such as a money market fund or an interest-bearing deposit account at CIBC Bank USA (the CIBC Cash Reserve). In addition, where CIBC National Trust Company or CIBC Delaware Trust Company is custodian and Reliance Trust Company or SEI Trust Company acts as sub-custodian, funds received for your account after the sweep deadline (e.g., late wires and non-networked mutual fund sale proceeds) are placed in a non-interest-bearing deposit account at BMO Harris Bank N.A. (BMO Harris Bank) or CIBC Bank USA.

As with other traditional bank deposit accounts, cash swept into the CIBC Cash Reserve or the deposit account at BMO Harris Bank becomes an asset of the applicable bank, and your deposit becomes a liability of that bank. Both of those accounts have FDIC insurance, so if CIBC Bank USA or BMO Harris Bank were to fail, you would be protected up to the maximum amount allowed by law (generally, \$250,000 per depositor, subject to certain exceptions). Other deposits you maintain with the same bank would be aggregated for purposes of determining the limits of FDIC insurance coverage.

## What internal and external controls do CIBC Private Wealth Group and its subsidiaries have in place to guard against fraud?

- **CIBC Private Wealth Group and its subsidiaries' client assets are held by an independent third party**, such as Schwab or Fidelity, or by CIBC National Trust Company or CIBC Delaware Trust Company (in either case, with Schwab, Fidelity, or other independent third-parties—currently Reliance Trust Company and SEI Trust Company—providing custodial services for us). Statements or inventories of client assets held by a third-party custodian are produced by the custodian from its proprietary system and distributed directly to clients, which provides clients with independent verification of the underlying assets. CIBC Private Wealth Group and its subsidiaries may send a separate statement generated by our system, as well. Statements or inventories of client assets for which CIBC National Trust Company or CIBC Delaware Trust Company is the custodian are generated by our trust accounting system and are reconciled with the independent third-party that provides custodial services for us.

Your relationship manager can give you information on the regulators and internal and external controls of other independent custodians, such as Schwab or Fidelity.

## What internal and external controls do CIBC Private Wealth Group and its subsidiaries have in place to guard against fraud? (continued)

- **CIBC Private Wealth Group and its subsidiaries are subsidiaries of a large, publicly traded company.** As previously noted, CIBC Private Wealth Group and its subsidiaries are subsidiaries of CIBC (TSX:CM) (NYSE: CM). As a publicly traded company, CIBC engages an independent auditor to perform annual audits of its financial statements. ACA Performance Services, LLC examines CIBC Private Wealth Group and subsidiaries' investment performance calculations for compliance with the Global Investment Performance Standards (GIPS®).
- **CIBC Private Wealth Group's operating subsidiaries are regulated, based on the subsidiary, by either the Office of the Comptroller of the Currency (OCC), the Delaware State Bank Commissioner (Delaware Commissioner) or the Securities and Exchange Commission (SEC).** CIBC Private Wealth Group operates through three subsidiaries: a national trust company, a Delaware trust company and a registered investment adviser (RIA), all of which operate under the "CIBC Private Wealth" brand. The national trust company is a limited-purpose national trust bank chartered and regulated by the OCC. The Delaware trust company is a limited-purpose state-chartered trust company regulated by the Delaware Commissioner. The RIA is regulated by the SEC.

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