

EXTEL CARD

U.S. \$250,000,000



Canadian Imperial Bank of Commerce

(A Canadian chartered bank)

Floating Rate Subordinated Capital Debentures Due 2085

The issue price of the Floating Rate Subordinated Capital Debentures Due 2085 (the "Debentures") will be 100 per cent. of their principal amount.

Interest will be payable semi-annually in arrears in February and August and will be at an annual rate equal to the sum of the London inter-bank offered rate for six-month U.S. dollar deposits and $\frac{1}{8}$ per cent. per annum, unless reduced as described herein. (See "Description of the Debentures - Reduction of Rate of Interest").

Payments on the Debentures will be made in New York (principal only), London, Luxembourg and Brussels without withholding or deduction for, or on account of, Canadian taxes.

The Debentures will mature on the Interest Payment Date falling in August 2085. All or some of the Debentures may be redeemed at the option of the Bank at par on any Interest Payment Date falling in or after August 1991.

Application has been made to the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland for the Debentures to be admitted to the Official List. Copies of this document which comprises the listing particulars required by The Stock Exchange (Listing) Regulations 1984 made under the European Communities Act 1972 have been delivered to the Registrar of Companies in England and Wales in accordance with such Regulations.

The Debentures have not been registered under the United States Securities Act of 1933 and, except as set forth herein, may not be offered or sold directly or indirectly in the United States of America or to U.S. persons, as defined herein, or to residents of Canada.

In connection with the issuance of the Debentures, a single temporary Global Debenture without interest coupons will be deposited with a common depository for the Euro-clear System and CEDEL S.A. on or about 15th August, 1986 and will be exchangeable for definitive Debentures not earlier than 90 days following the completion of distribution, upon compliance with certain conditions.

Credit Suisse First Boston Limited

CIBC Limited
Goldman Sachs International Corp.
Morgan Guaranty Ltd
Salomon Brothers International Limited
Algemene Bank Nederland N.V.
Banque Bruxelles Lambert S.A.
Banque Paribas Capital Markets Limited
Citicorp Investment Bank Limited
County NatWest Capital Markets Limited
Dai-Ichi Kangyo International Limited
Dominion Securities Pitfield Limited
First Interstate Capital Markets Limited
IBJ International Limited
Mitsui Trust International Ltd.
Nomura International Limited
Union Bank of Switzerland (Securities) Limited
Westpac Banking Corporation

Daiwa Europe Limited
Merrill Lynch International & Co.
Morgan Stanley International
Shearson Lehman Brothers International, Inc.
ANZ Merchant Bank Limited
Banque Nationale de Paris
Chase Manhattan Limited
Commerzbank Aktiengesellschaft
Crédit Commercial de France
Deutsche Bank Capital Markets Limited
Dresdner Bank Aktiengesellschaft
E F Hutton & Company (London) Ltd
Manufacturers Hanover Limited
The Nikko Securities Co., (Europe) Ltd.
Swiss Bank Corporation International Limited
S.G. Warburg, Akroyd, Rowe & Pitman, Mullens Securities Ltd.
Wood Gundy Inc.

The date of this Extel Card is 5th August, 1986.

THIS CARD IS CIRCULATED TO GIVE DETAILS OF AN ISSUE BY THE BANK
AND SHOULD BE RETAINED FOR REFERENCE PURPOSES.

CAA-Q 13

CANADIAN IMPERIAL BANK OF COMMERCE

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(A Canadian chartered bank)

U.S. \$250,000,000

Floating Rate Subordinated Capital Debentures Due 2085

Issue Price: 100 per cent.

These particulars are given in compliance with the Regulations of the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland ("The Stock Exchange") for the purpose of giving information with regard to the above-mentioned Floating Rate Subordinated Capital Debentures (the "Debentures") and Canadian Imperial Bank of Commerce (the "Bank"). The Bank is responsible for the information contained in this document. To the best of the knowledge and belief of the Bank (which has taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank accepts responsibility accordingly.

Application has been made to the Council of The Stock Exchange for the Debentures to be admitted to the Official List.

Particulars of the Bank are also available through Extel Statistical Services Limited.

DESCRIPTION OF THE DEBENTURES

The Debentures will be direct unsecured obligations of the Bank. The Debentures will be constituted by a Trust Indenture (the "Trust Indenture") to be entered into by the Bank and National Trust Company (the "Trustee") and to be dated as of 15th August, 1986. Holders of the Debentures (the "Debentureholders") and of the interest coupons and talons for further interest coupons appertaining thereto (together, where the context so permits, the "Coupons") are entitled to the benefit of, are bound by and are deemed to have notice of, all of the provisions of the Trust Indenture. The following is a summary of, and is subject to, the detailed provisions of the Debentures and the Trust Indenture, copies of which will be available for inspection at the offices of the Trustee and the paying agents for the time being for the Debentures.

If the last regular quarterly dividend declared by the Bank on its common shares prior to any Interest Period is less than the Reference Dividend (as defined below), the Rate of Interest on the Debentures for such period will be reduced pro rata to the decrease in the dividend. The Bank has never missed a regular dividend since its first dividend payment in 1868 and, except for circumstances in the 1930s and during World War II, the Bank has not reduced its regular dividend in this century.

Acceleration of the right to receive the principal of the Debentures will only occur in the case of insolvency or winding-up of the Bank. There is no right of acceleration in the case of default in the payment of interest or the performance of any covenant.

Form, Denominations and Title

The Debentures will initially be represented by a single temporary Global Debenture, without interest coupons, which will be deposited with a common depository for Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euro-clear System ("Euro-clear") and CEDEL S.A. on or about 15th August, 1986 for credit against payment to the accounts designated by the subscribers of the Debentures at Euro-clear or at CEDEL S.A. The Bank will undertake to exchange the temporary Global Debenture for definitive Debentures not earlier than 90 days after the completion of the distribution of the Debentures, as determined by Credit Suisse First Boston Limited. Such exchange will only be made upon certification that the beneficial owners of such Debentures are not U.S. persons (as defined in "Subscription and Sale" below) or residents of Canada. A beneficial owner must exchange his share of the temporary Global Debenture for definitive Debentures before interest payments can be collected. See below for a description of restrictions on sales in the United States and Canada, to U.S. persons and to residents of Canada.

Definitive Debentures will be issued in the form of bearer debentures with Coupons attached. The definitive Debentures, which will be serially numbered, will be issued in the denominations of U.S. \$10,000 each and U.S. \$100,000 each. Debentures of one denomination will be exchangeable for Debentures of the other denomination. Title to the Debentures and Coupons will pass by delivery.

The Bank, the Trustee and any paying agent may treat the holder of any Debenture and the holder of any Coupon as the absolute owner thereof (whether or not such Debenture or Coupon shall be overdue and notwithstanding any notice of ownership or writing thereon) for the purpose of making payment and for all other purposes.

Status and Subordination

The Debentures will be direct unsecured obligations of the Bank and on the insolvency or winding-up of the Bank will rank equally and rateably with all debentures of the Bank from time to time issued and outstanding under the Trust Indenture dated 15th December, 1972 between the Bank and National Trust Company, Limited (now National Trust Company) and indentures supplemental thereto (the "1972 Trust Indenture") and under the Trust Indenture dated 24th July, 1985 between the Bank and the Trustee (the "1985 Trust Indenture").

Under the Bank Act of Canada all debentures issued by the Bank from time to time rank equally on the insolvency or winding-up of the Bank. Prior to such insolvency or winding-up individual issues of debentures (including debentures issued under the 1972 Trust Indenture but excluding debentures issued under the 1985 Trust Indenture) may be accelerated and paid by the Bank in accordance with their respective terms.

Pursuant to the provisions of the Bank Act of Canada, the Trust Indenture will provide that in the event of the insolvency or winding-up of the Bank the indebtedness evidenced by the Debentures will be subordinate in right of payment to the prior payment in full of the deposit liabilities and of all other liabilities of the Bank except those which by their terms rank in right of payment equally with or subordinate to all such Debentures.

Rate of Interest

In this section the expression "business day" means a day upon which banks and foreign exchange markets are open for business both in London and New York City.

(a) Interest Payment Dates

The Debentures will bear interest from the "Closing Date" (which shall be 15th August, 1986 or, as permitted by the Subscription Agreement described in "Subscription and Sale" below, such other date as shall be the date of closing) and interest will be payable on each date ("Interest Payment Date") which (save as mentioned below) falls six months after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Closing Date. If any Interest Payment Date would otherwise fall on a day which is not a business day, it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month in which event (i) the Interest Payment Date shall be brought forward to the immediately preceding business day and (ii) after the foregoing (i) shall have been applied, each subsequent Interest Payment Date shall be the last business day of the sixth month after the month in which the preceding Interest Payment Date shall have fallen.

The period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "Interest Period".

(b) Interest Payments

Save as mentioned in "Form, Denominations and Title" above and "Payments" below, interest due on or before maturity of the Debentures will be paid against presentation and surrender of the Coupons as they severally mature. Interest shall cease to accrue on the Debentures as from the date for payment thereof unless payment of principal is improperly withheld or refused.

(c) Rate of Interest

For the purpose of calculating the rate of interest payable on the Debentures, the Bank will enter into an agreement to be dated as of 13th August, 1986 (the "Agent Bank Agreement") with The Chase Manhattan Bank, N.A. as agent bank (the "Agent Bank"). The rate of interest payable from time to time in respect of the Debentures (the "Rate of Interest") will be determined on the basis of the following provisions (unless adjusted as provided in "Reduction of Rate of Interest" below):—

- (i) On each "Interest Determination Date", namely the second business day prior to the Closing Date (in the case of the initial Interest Period) and thereafter the second business day prior to the commencement of the Interest Period for which such rate will apply, the Agent Bank will request the principal London office of each of the Reference Banks (as defined in subparagraph (g) below) to provide the Agent Bank with its offered quotation to leading banks for U.S. dollar deposits in the London inter-bank market for such Interest Period as at 11.00 a.m. (London time) on the Interest Determination Date in question. The Rate of Interest for that Interest Period shall be $\frac{1}{8}$ per cent. per annum above the arithmetic average (rounded upwards, if necessary, to the nearest $\frac{1}{16}$ per cent.) of such offered quotations, excluding the highest and lowest (or, in either case, if more than one, only one of them) of such offered quotations, as determined by the Agent Bank.
- (ii) If on any Interest Determination Date four only of the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the next Interest Period shall be determined as above on the basis of the offered quotations provided by two out of the four quoting Reference Banks (excluding as aforesaid).
- (iii) If on any Interest Determination Date three or two only of the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the next Interest Period or, as the case may be, the initial Interest Period shall be determined on the basis of the offered quotations provided by all the quoting Reference Banks (but without excluding as aforesaid).
- (iv) If on any Interest Determination Date less than two of the Reference Banks provide the Agent Bank with such quotations, the Rate of Interest for the next Interest Period shall be the rate per annum which the Agent Bank determines to be (I) $\frac{1}{8}$ per cent. per annum above the arithmetic mean (rounded upwards, if necessary, to the nearest whole multiple of $\frac{1}{16}$ per cent.) of the offered rates for the next Interest Period which prime New York City banks selected by the Agent Bank are quoting on the relevant Interest Determination Date to the principal London offices of the Reference Banks or those of them (being at least two in number) to which such quotations are being made, or (II) if there are no such quotations, $\frac{1}{8}$ per cent. per annum above the arithmetic mean (rounded as aforesaid) of the offered rates for the next Interest Period which such prime New York City banks are quoting on such Interest Determination Date to prime European banks provided that if the banks selected as aforesaid by the Agent Bank are not quoting as mentioned in sub-clause (I) or (II), the Rate of Interest shall be the rate of interest in effect for the last preceding Interest Period to which clause (i), (ii) or (iii) above shall have applied.

(d) Determination of Rate of Interest and Calculation of Coupon Amounts

The Agent Bank will, as soon as practicable after 11.00 a.m. (London time) on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable in respect of each U.S. \$10,000 principal amount of Debentures (the "Interest Amount") for the relevant Interest Period. The amount of interest shall be calculated by applying the Rate of Interest to the principal amount of U.S. \$10,000, multiplying such sum by the actual number of days in the Interest Period concerned divided by 360 and rounding the resultant figure to the nearest cent (half a cent being rounded upwards). The amount of interest payable on the presentation and surrender of each Coupon (the "Coupon Amount") for the relevant Interest Period shall be the Interest Amount in respect of each Debenture of U.S. \$10,000 and ten times the Interest Amount in respect of each Debenture of U.S. \$100,000. In the absence of manifest error, the determination by the Agent Bank of the Rate of Interest and its calculation of the Coupon Amounts shall be final and binding on all parties.

(e) Publication of Rate of Interest and Coupon Amounts

The Agent Bank shall cause the Rate of Interest and the Coupon Amounts for each Interest Period, together with the relative Interest Payment Date, to be published in accordance with "Notices" below as soon as possible after their determination but in no event later than the fourth business day thereafter. The U.S. dollar amounts and date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or a shortening of the Interest Period or of manifest error.

(f) Determination of Rate of Interest and Coupon Amounts by the Trustee

The Trustee shall, if the Agent Bank does not at any material time for any reason determine the Rate of Interest and the Coupon Amounts in accordance with sub-paragraphs (c) and (d) above, determine the Rate of Interest and the Coupon Amounts, the former at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in sub-paragraph (c) above), it shall deem fair and reasonable in all the circumstances, and such determination shall be deemed to be a determination thereof by the Agent Bank.

(g) Reference Banks and Agent Bank

The Bank will procure that so long as any of the Debentures remains outstanding there shall at all times be five Reference Banks and an Agent Bank for the purposes of the Debentures. The initial Reference Banks will be Bank of Tokyo, Ltd., Barclays Bank PLC, Morgan Guaranty Trust Company of New York, National Westminster Bank PLC and Swiss Bank Corporation. The Bank may, with the prior written approval of the Trustee, from time to time replace any Reference Bank or the Agent Bank by another leading bank engaged in the Eurodollar market. In the event of the appointed office of any such bank being unable or unwilling to continue to act as a Reference Bank or the Agent Bank (as the case may be) or in the case of the Agent Bank failing duly to establish the Rate of Interest for any Interest Period, the Bank shall appoint the London office of some other leading bank engaged in the Eurodollar market as may be approved by the Trustee to act as such in its place. The Agent Bank may not resign its duties without a successor having been appointed as aforesaid.

Reduction of Rate of Interest

If the last regular dividend declared by the Bank on each of its common shares (including any dividend declared to be paid in cash or in specie or in shares of the Bank in the ordinary course) prior to any Interest Period is less than the Reference Dividend (as defined below), then the Rate of Interest for such Interest Period will be reduced in accordance with the following formula:

$$\text{Reduced Interest Rate} = \frac{\text{Dividend declared}}{\text{Reference Dividend}} \times \text{Rate of Interest}$$

The Rate of Interest shall continue to be adjusted according to this formula until the Interest Period next following that in which the last regular dividend declared by the Bank on its common shares is equal to or greater than the Reference Dividend. If the Bank fails to declare a dividend on its common shares within 36 days following the date upon which a dividend on common shares would normally have been declared the Reduced Interest Rate shall be nil for each Interest Period commencing after such 36 day period until the Interest Period next following that in which the Bank declares a dividend on its common shares.

The Trust Indenture will provide for the adjustment of the Reference Dividend upon the happening of certain events including the following: (a) the subdivision, consolidation or reclassification of the outstanding common shares of the Bank or the amalgamation or merger of the Bank with another entity; (b) the issue of common shares to all or substantially all of the holders of common shares by way of a stock dividend or similar distribution to shareholders, other than a stock dividend paid to shareholders of the Bank in the ordinary course; and (c) the frequency of payment of the regular dividend on the Bank's common shares is increased or decreased. Any adjustment of the Reference Dividend in these events will not cause an adjustment in the Rate of Interest.

Whenever the above formula shall apply to reduce the Rate of Interest, the Bank shall have no obligation to pay interest on the Debentures in excess of the Reduced Interest Rate during the relevant Interest Period or Periods. If the Rate of Interest is to be reduced as described above, the Bank will promptly notify all Debentureholders of such reduction in accordance with "Notices" below.

"Reference Dividend" means the greater of Cdn \$0.27 per common share (the current quarterly dividend) and the highest regular quarterly dividend paid by the Bank on each of its common shares after the issuance of the Debentures, provided that no such dividend shall be the Reference Dividend unless and until each of the regular dividends paid by the Bank during the nine month period following the payment of such dividend has been equal to or in excess of such dividend.

Payments

The names of the initial paying agents (which will be appointed by the Bank under the Paying Agency Agreement to be dated as of 15th August, 1986) and their specified offices are set out at the end of this document.

Payments of principal in respect of Debentures will be made against surrender of Debentures (a) in U.S. dollars at the specified office of the paying agent in New York City or (b) at the option of the holder, at any specified office of any paying agent, by U.S. dollar cheque drawn on, or transfer to a U.S. dollar account maintained by the payee with, a bank in New York City; and payments of interest on Debentures will be made against surrender of Coupons at any specified office outside the United States of any paying agent, in the manner provided in (b) above, subject in all cases to any fiscal or other laws and regulations applicable thereto, but without prejudice to the provisions described under "Taxation" below. Notwithstanding the foregoing, payment of interest may be made at the specified office of the paying agent in New York City if (i) the Bank shall have appointed paying agents outside the United States, its territories and its possessions with the reasonable expectation that such paying agents would be able to make payment of the full amount of interest on the Debentures in U.S. dollars when due, and (ii) payment of the full amount of such interest at such offices is illegal or effectively precluded by exchange controls or other similar restrictions.

Upon the due date for redemption of any Debenture, unmatured Coupons relating to such Debenture (whether or not attached) shall become void and no payment shall be made in respect thereof. Where any Debenture is presented for redemption without all unmatured Coupons relating thereto, redemption shall be made only against the provision of such indemnity or bond as the Bank shall require. If the date of redemption is not an Interest Payment Date, the interest accrued from the preceding Interest Payment Date (or the Closing Date, as the case may be) shall be payable only against presentation of the relevant Debenture. If any Debenture is presented for redemption at the specified office of the paying agent in New York City, principal only will be paid and any accrued interest will be paid as provided in the Paying Agency Agreement, subject to the provisions for payment of interest in New York City referred to above.

The Bank reserves the right at any time to vary or terminate the appointment of any paying agent and to appoint additional or other paying agents provided that it will at all times maintain a specified office of a paying agent in New York City and in a European city which, so long as the Debentures are listed on The Stock Exchange, shall be London. Notice of any such termination or appointment and of any changes in the specified offices of the paying agents will be given to the Debentureholders in accordance with "Notices" below.

Notwithstanding any statement in these provisions to the contrary, payment may be made on any Debenture or Coupon to a bank which has entered into an agreement providing for payment of principal and interest on such Debenture or Coupon without physical presentation.

Redemption and Purchase

(a) Unless previously redeemed or purchased and cancelled as provided below, the Debentures will mature at par on the Interest Payment Date falling in August 2085.

(b) Upon notice as described below, the Bank may, on any Interest Payment Date falling in or after August 1991, redeem all or some (in the amount of U.S. \$10,000,000 or an integral multiple thereof) of the Debentures at their principal amount. Notice of any redemption will be published once not more than 45 nor less than 30 days prior to the relevant Interest Payment Date.

Notices of redemption will specify the date fixed for redemption and, in the case of partial redemption, the aggregate principal amount of Debentures to be redeemed and the aggregate principal amount of the Debentures which will be outstanding after such partial redemption. In addition, in the case of partial redemption, the notice will specify the serial numbers of the Debentures called for redemption (which numbers shall have been selected individually by lot in such manner as the Trustee shall deem to be equitable).

(c) The Bank may, with the prior approval of the Inspector General of Banks of Canada (the "Inspector General"), at any time on or after the Interest Payment Date falling in August 1991 purchase Debentures (provided that all unmatured Coupons appertaining thereto are attached thereto or surrendered therewith) in any manner at prices (exclusive of expenses and accrued interest) not exceeding:

- (i) in the case of a purchase by tender, the average of the middle market quotations taken from The Stock Exchange Daily Official List for the 10 business days prior to the date of purchase (the "Average Price"); or
- (ii) in the case of a purchase through The Stock Exchange, the greater of the Average Price and the market price, if the latter is not more than 5 per cent. above the Average Price; or
- (iii) in any other case, 115 per cent. of such middle market quotation on the business day next preceding the date of purchase;

provided, however, that the limitations in (i), (ii) and (iii) shall apply only so long as the Debentures are listed on The Stock Exchange. If purchases are made by tender, tenders must be available to all Debentureholders alike.

In addition, subsidiaries of the Bank may, with the prior approval of the Inspector General, purchase Debentures in the ordinary course of their business of banking or dealing in securities.

(d) All Debentures which are (i) redeemed or (ii) purchased by the Bank will forthwith be cancelled (with all unmatured Coupons appertaining thereto and attached thereto or surrendered therewith) and accordingly may not be reissued or resold.

Taxation

All payments of principal and interest will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Canada, any province of Canada or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law or the administration thereof. In that event, the Bank will pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Debentures and Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Debentures or, as the case may be, Coupons, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Debenture or Coupon presented for payment:

- (i) by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Debenture or Coupon by reason of his having some connection with Canada other than the mere holding of the Debenture or Coupon or who would not be subject to such taxes, duties, assessments or charges by making a declaration or other similar claim for exemption to the relevant tax authorities; or
- (ii) by or on behalf of a holder with whom the Bank is not dealing at arm's length (within the meaning of the Income Tax Act of Canada); or
- (iii) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the expiry of such period of 30 days.

As used herein the "Relevant Date" means whichever is the later of (a) the date on which such payment first becomes due and (b) the date on which the full amount of the moneys payable has not been received by the principal paying agent or the Trustee on or prior to such due date, the date on which, the full amount of such moneys having been so received, notice to that effect shall have been duly published in accordance with "Notices" below.

Any reference herein to principal or interest shall be deemed also to refer to any additional amounts which may be payable under this provision.

Acceleration

Payment of the principal of the Debentures may be accelerated only in the case of the insolvency or winding-up of the Bank. There will be no right of acceleration in the case of a default in the performance of any covenant of the Bank contained in the Trust Indenture, including the payment of interest. If the Bank shall not have paid any interest payable on the Debentures when due, the Trustee may and shall, upon the request in writing of the holders of 25 per cent. in principal amount of the Debentures then outstanding, institute judicial proceedings for the collection of the full amount of such interest.

Enforcement of Rights

No holder of a Debenture or of a Coupon shall be entitled to proceed directly against the Bank unless the Trustee, having become bound under the Trust Indenture so to proceed, fails to do so.

Under existing Ontario law the Debentures will become unenforceable unless presented for payment within a period of 20 years and the Coupons may become unenforceable unless presented for payment within a period of six years, in each case from the respective due date for payment.

Modification

The Trust Indenture will provide that modifications and alterations of the Trust Indenture and the Debentures may be made if authorised by extraordinary resolution. The term "extraordinary resolution" will be defined in the Trust Indenture to mean, in effect, a resolution passed by the affirmative vote of the holders of not less than two-thirds of the Debentures represented and voted at the meeting of Debentureholders or an instrument or instruments in writing signed by the holders of not less than two-thirds of the Debentures then outstanding. The Trustee may agree, without any authorisation from Debentureholders, to modifications and alterations of the Trust Indenture and the Debentures if, in the opinion of the Trustee, such modification and alterations do not adversely affect the interests of the Debentureholders in any material respect. Certain modifications and alterations of the Trust Indenture and the Debentures will be subject to the approval of the Inspector General.

Indemnification of the Trustee

The Trust Indenture will contain provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment, unless indemnified to its satisfaction.

Replacement of Debentures and Coupons

If any Debenture or Coupon is mutilated, lost, destroyed or stolen, it may be replaced at the specified office of the paying agent in London without charge but on such terms as to evidence, indemnity and otherwise as the Bank may require. A mutilated Debenture or Coupon must be surrendered before a new Debenture or Coupon will be issued.

Notices

All notices to the Debentureholders will be published in London, England in the *Financial Times*. If at any time publication in such newspaper is not practicable, notices will be valid if published in another English language newspaper or newspapers with general circulation in Europe, as the Bank shall determine.

Governing Law

The Debentures and the Coupons shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

USE OF PROCEEDS

The net proceeds from the issue of the Debentures are estimated to amount to approximately U.S. \$249,425,000 and will be added to the general funds of the Bank.

THE BANK

The Bank is a major Canadian chartered bank, governed by the Bank Act of Canada. The Bank is a major world bank in terms of resources and representation, maintaining an international presence both in its own name and through a number of wholly and partially owned subsidiaries, with its headquarters in Commerce Court, Toronto, Canada.

CAPITALISATION

The following table sets out the unaudited consolidated capitalisation of the Bank, as adjusted for the issue of the Debentures, as at 30th April, 1986:

	30th April, 1986 <i>(in thousands of Cdn dollars)</i>
Debentures of the Bank (note 1):	
15¾% due 15th January, 1989	75,000
12¾% due 15th May, 1989	60,000
15th July, 1989 (note 2)	50,000
11½% due 1st February, 1990	75,000
11% due 15th June, 1990	100,000
16¾% due 15th October, 1991 (U.S.\$100,000,000)	137,670
7¼% due 15th December, 1992	667
7½% due 15th May, 1993	1,128
29th July, 1994 (U.S.\$200,000,000) (note 3)	275,340
9¾% due 2nd January, 1995	3,080
9½% due 15th October, 1996 (note 4)	50,000
9¼% due 15th February, 1998 (note 5)	75,000
31st July, 2084 (U.S.\$300,000,000) (note 6)	413,010
15th August, 2085 (U.S.\$250,000,000) (note 7)	344,175
Total Debentures	<u>1,660,070</u>
Liabilities of Subsidiaries other than Deposits	<u>121,646</u>
Appropriations for Contingencies (note 8)	<u>235,788</u>
Shareholders' Equity:	
Capital Stock	
Class A Preferred Shares:	
Cdn \$2.50 Cumulative Redeemable Series 1 (note 9)	75,000
Cdn \$3.5625 Cumulative Redeemable Series 2 (note 10)	297,248
Floating Rate Cumulative Redeemable Series 3 (note 11)	300,000
Common Shares (note 12)	960,399
	<u>1,632,647</u>
Retained Earnings	<u>1,722,990</u>
Total Capital Funds	<u>5,373,141</u>

Notes:

- (1) The debentures (which are all issued by the Bank) are subordinate in right of payment to claims of depositors and other unsecured creditors. The aggregate amount of debentures which may be outstanding is governed by the Bank Act of Canada.
- (2) The July, 1989 debentures bear interest at a rate equal to the average prime rate of the Bank less ¼ of 1%.
- (3) The July, 1994 debentures bear interest at a rate equal to LIMEAN plus ¼ of 1%.
- (4) Holders representing Cdn \$40,252,000 of the October, 1996 debentures have elected that such debentures mature on 15th October, 1986.
- (5) Under the terms of the February, 1998 debentures issue, a holder may elect that such debentures mature on 15th February, 1988.
- (6) The July, 2084 debentures bear interest at a rate equal to LIBOR plus ¼ of 1% and are redeemable at par by the Bank after July 1990.
- (7) The August, 2085 debentures bear interest at a rate equal to LIBOR plus ¼ of 1% and are redeemable at par by the Bank after August 1991.
- (8) Appropriations for contingencies is an amount set aside by the Bank in addition to the amount which it determines should be deducted from its loan portfolio in respect of doubtful accounts and is available to provide for possible losses not yet known.
- (9) The Class A Preferred Shares Series 1 will be redeemed by the Bank on 20th August, 1986 at their par value plus accrued dividends to that date.
- (10) The Class A Preferred Share Series 2 are redeemable by the Bank after 15th February, 1987. The holders may elect to have their shares redeemed on 15th February, 1989.
- (11) The Class A Preferred Shares Series 3 bear dividends, payable monthly, at a rate that floats in relation to the Bank's prime interest rate and in addition, the dividend rate is adjusted upwards or downwards on a monthly basis whenever the calculated trading price of the shares is less than Cdn \$99.75 or more than Cdn \$100.25 respectively. The shares are redeemable by the Bank, in whole or in part, on not less than 90 days notice by the Bank.

- (12) Authorised: 400,000,000 without par value issuable for an aggregate consideration not exceeding \$3,000,000,000; issued: 121,879,315. Pursuant to various provisions common shares have been reserved for issue as follows:
- (i) 5,984,240 on the exercise of Common Share Purchase Warrants, at an exercise price of Cdn \$16.625 per share on or before 20th August, 1986.
 - (ii) 6,990,550 on the exercise of Common Share Purchase Warrants at an exercise price of Cdn \$17.50 per share, on or before 31st August, 1987.
 - (iii) 4,500,000 on the exercise of Common Share Purchase Warrants, at an exercise price of Cdn \$22.00 per share, on or before 30th September, 1988.
 - (iv) 9,216,666 pursuant to the Dividend Reinvestment and Share Purchase Plan and Stock Dividend Program.
- (13) There have been no changes in the outstanding capital stock or debentures of the Bank since 30th April, 1986 except for:
- (i) purchase of debentures for sinking fund purposes in accordance with the undertaking contained in the terms of their respective issues;
 - (ii) Common Shares issued pursuant to the Dividend Reinvestment and Share Purchase Plan and Stock Dividend Program;
 - (iii) the effect of translating the U.S. Dollar denominated debentures at current rates of exchange.

INTERIM FINANCIAL STATEMENTS

The following sets out the condensed consolidated interim balance sheet as at 30th April, 1986 and 30th April, 1985 and the consolidated interim statement of income for the six months ended 30th April, 1986 and the six months ended 30th April, 1985:

Condensed Consolidated Balance Sheet (unaudited)

	<i>As at 30th April,</i>	
	<u>1986</u>	<u>1985</u>
	<i>(in millions of Cdn dollars)</i>	
Assets		
Cash resources	6,616	8,323
Securities	7,054	6,408
Loans	47,024	44,927
Mortgage loans	11,261	9,189
Other assets	6,150	5,302
Total assets	<u>78,105</u>	<u>74,149</u>
Liabilities, Capital and Reserves		
Deposits		
Payable on demand	5,481	5,852
Payable after notice	19,644	17,428
Payable on a fixed date	41,555	40,963
Total deposits	66,680	64,243
Other liabilities	6,518	5,755
Bank debentures	1,316	910
Capital and reserves		
—preferred	672	897
—common	2,919	2,344
Total liabilities, capital and reserves	<u>78,105</u>	<u>74,149</u>

Consolidated Interim Statement of Income (unaudited)

For the six months ended
30th April,

1986 1985

(in thousands of Cdn dollars)

Interest income:			
Income from loans, excluding leases	3,190,721	3,062,206
Income from lease financing	14,657	14,821
Income from securities	302,981	291,178
Income from deposits with banks	233,025	279,324
Total interest income, including dividends	<u>3,741,384</u>	<u>3,647,529</u>
Interest expense:			
Interest on deposits	2,673,784	2,683,964
Interest on bank debentures	69,429	54,096
Interest on liabilities other than deposits	9,410	12,118
Total interest expense	<u>2,752,623</u>	<u>2,750,178</u>
Net interest income	988,761	897,351
Provision for loan losses	309,000	239,000
Net interest income after loan loss provision	679,761	658,351
Other income	339,269	299,533
Net interest and other income	<u>1,019,030</u>	<u>957,884</u>
Non-interest expenses:			
Salaries	443,325	413,792
Pension contributions and other staff benefits	37,079	32,359
Premises and equipment expenses, including depreciation	139,553	126,852
Other expenses	176,665	144,282
Total non-interest expenses	<u>796,622</u>	<u>717,285</u>
Net income before provision for income taxes	222,408	240,599
Provision for income taxes	61,100	73,400
Net income	<u>161,308</u>	<u>167,199</u>

RECENT DEVELOPMENTS

The following events occurred after the Bank's fiscal year end of 31st October, 1985.

On 10th December, 1985 the Bank called for redemption of its Convertible Class B Preferred Shares Series 1 in accordance with the terms of the issue. Substantially all of the holders of such shares converted their holdings into common shares, which resulted in an increase in the common equity of the Bank of approximately Cdn \$224 million.

Effective 31st January, 1986 the Bank subdivided its Common Shares on a two-for-one basis.

On 26th March, 1986 an announcement was made of a realignment of the structure of the Bank that will result in its re-organisation into three strategic business units, each headed by a President. The three units will consist of individual or personal banking, corporate banking and investment banking, each with worldwide responsibility. Detailed planning and implementation of the realignment is now proceeding.

On 3rd April, 1986 the Bank increased its base capital by issuing 9,000,000 units at a price of Cdn \$19.25 each, for gross proceeds of Cdn \$173,250,000. Each unit consists of one common share plus one-half of a common share purchase warrant. The warrants will be exercisable until 30th September, 1988 at an exercise price of Cdn \$22 per common share.

On 30th May, 1986 an agreement was reached with Dome Petroleum Limited ("Dome") and its institutional lenders to pay interest on loans based on cash flow available for debt service. The agreement expires in October 1986 but may be extended to February 1987. In recognition of the Bank's security position, the Bank receives interest income at least proportionate to its loan position. In accordance with the Bank's normal practice, the Dome loans were classified non-accrual during the third quarter and no interest will be taken into income unless received in cash. The amount of the loans to Dome is approximately Cdn \$930 million. The expected decline in income attributable to those loans for the remainder of the year on an after-tax basis will be less than Cdn \$20 million.

The Bank reported that excluding Dome, there are possibly Cdn \$200 million of energy loans which, at a flat oil price of U.S. \$15 a barrel over the next few years, might expose the Bank to a loss of between 10-20 per cent. of the principal, or about Cdn \$20 million. The extent of potential problems is very small, and general reserves are being provided to cover the uncertainty facing the energy sector.

The Bank's second quarter report to shareholders released on 5th June, 1986 stated that its estimate of net loan loss experience for the year ended 31st October, 1986 is Cdn \$700 million, an increase from Cdn \$550 million experienced in fiscal year ended 31st October, 1985. This estimate includes a Cdn \$200 million contingency relating to the Bank's world energy and commodity-related loans including those to the Dome Petroleum Group and Cdn \$130 million of additional country risk provisions. Non-accrual loans at 30th April, 1986 totalled Cdn \$1.6 billion, a Cdn \$0.2 billion reduction from the previous quarter.

On 3rd July, 1986 the Bank announced that on 20th August, 1986 it will redeem all of its Class A Preferred Shares Series 1 at their par value of Cdn \$25 per share, plus accrued dividends to that date. There are at present 3,000,000 such shares outstanding.

CAPITAL CHARACTERISATION OF PROCEEDS OF ISSUE

The Bank is required under the Bank Act of Canada to maintain an adequate capital base. Under definitions established by the Inspector General, the total capital of a bank is segregated into two categories: base capital and supplementary capital. Base capital includes those elements of capital which are generally permanent in nature, subordinate to other creditors and free of mandatory fixed charges against earnings. Base capital is therefore comprised of retained earnings, common shares and certain types of preferred shares and debentures, with the latter two components not to exceed in the aggregate 20 per cent. of total base capital. Supplementary capital includes all other preferred shares and debentures which do not have all the required properties of base capital. These characterizations of capital are used by the Inspector General to assess the adequacy of a bank's capital base in relation to its total assets.

Under the definitions established by the Inspector General, the Debentures as well as the Cdn \$300,000,000 Class A Preferred Shares Series 3 and the U.S. \$300,000,000 Floating Rate Debenture Notes due 2084 of the Bank, meet the definition to qualify as base capital. Including the Debentures the aggregate amount outstanding of these three issues will be approximately U.S. \$767,000,000. As at 30th April, 1986 the 20 per cent. restriction limits the amount of these three securities that are permitted to be counted as base capital to approximately U.S. \$520,000,000 and the balance will qualify as supplementary capital. Whether the balance will in the future qualify as base capital depends upon the capital adequacy guidelines of the Inspector General, which are subject to periodic review and revision.

DIRECTORS OF THE BANK

HON. S. RONALD BASFORD, P.C., Q.C.
Partner, Davis & Company, Vancouver

DOUGLAS G. BASSETT
*President and Chief Executive Officer,
Baton Broadcasting Incorporated,
Toronto*

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LL.L., M.A.
*Chairman,
Argus Corporation Limited, Toronto*

EDMUND C. BOVEY, C.M.
*Director,
Norcen Energy Resources Limited.,
Toronto*

ALTON S. CARTWRIGHT
*Director,
Co-Steel International Limited, Toronto*

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*President,
Cooper Construction Company Limited,
Hamilton*

E. H. CRAWFORD
*Chairman, President and Chief Executive
Officer,
The Canada Life Assurance Company,
Toronto*

HON. WILLIAM G. DAVIS P.C., C.C.,
Q.C.
*General Counsel,
Tory, Tory, Des Lauriers & Binnington,
Toronto*

R. FRASER ELLIOTT, C.M., Q.C., B. Com.,
M.B.A.
*Senior Partner, Stikeman, Elliott,
Toronto*

R. DONALD FULLERTON
*Chairman, President and Chief Executive
Officer,
Canadian Imperial Bank of Commerce,
Toronto*

BERTRAND GERSTEIN, LL.D.
*Chairman of the Board,
Peoples Jewellers Limited, Toronto*

L. G. GREENWOOD, LL.D.
*Chairman,
Canadian Reinsurance Company, Toronto*

HUGH G. HALLWARD
*President,
Argo Construction Inc., Montreal*

A. D. HAMILTON
Director, Inco Limited, Montreal

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*Past Chairman,
Canadian Imperial Bank of Commerce,
Toronto*

W. M. HATCH
Director, Jannock Limited, Toronto

FREDERICK W. HILL C.M.
*Chairman of the Board,
McCallum Hill Limited, Regina*

HARRY HOLE, P. Eng.
*Vice-President and General Manager,
Lockerbie and Hole Western Limited,
Edmonton*

G. R. HUNTER, M.B.E., Q.C., LL.B.
Partner, Pitblado & Hoskin, Winnipeg

WILLIAM JAMES
*Chairman and Chief Executive Officer,
Falconbridge Limited, Toronto*

M. E. JONES, Q.C., LL.B.
*Board Vice-President of the Bank,
Senior Partner, Bennett Jones, Calgary*

OLIVIER LECERF
*Chairman and Chief Executive Officer,
Lafarge Copée, S.A., Paris, France*

J. D. LEITCH
*Board Vice-President of the Bank,
Chairman and Chief Executive Officer,
ULS International Inc., Toronto*

FRANK H. LOGAN
*Vice-Chairman,
Canadian Imperial Bank of Commerce,
Toronto*

A. J. MacINTOSH, Q.C., LL.B.
*Partner, Blake, Cassels & Graydon,
Toronto*

W. DARCY McKEOUGH
*McKeough Sons Company Limited,
Chatham*

W. F. McLEAN
*Director,
Canada Packers Inc., Toronto*

STANLEY A. MILNER, B.Sc.
*President and Chief Executive Officer,
Chieftain Development Co. Ltd.,
Edmonton*

ANDRE MONAST, Q.C.
*Board Vice-President of the Bank,
Partner, Stein, Monast, Pratte &
Marseille, Quebec*

ALFRED POWIS, O.C.
*Chairman and Chief Executive Officer,
Noranda Inc., Toronto*

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Steers Limited, St. John's Nfld.

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*Chairman,
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C. RICHARD SHARPE
*Chairman and Chief Executive Officer,
Sears Canada Inc., Toronto*

DR. CATHERINE WALLACE, O.C.
*Director, Maritime Telegraph and
Telephone Company, Limited,
Fredericton*

W. GALEN WESTON
*Chairman and President,
George Weston Limited, Toronto*

PETER N. T. WIDDRINGTON
*President and Chief Executive Officer,
John Labatt Limited, London*

All, for this purpose, of Commerce Court, Toronto, M5L 1A2

AUDITORS OF THE BANK

Under the Bank Act of Canada, if the same two firms of accountants have been appointed as auditors of a bank for two consecutive years, one of these firms is not eligible for re-appointment for the next two following years. The auditors of the Bank at the present time are Peat, Marwick, Mitchell & Co. and Price Waterhouse and, during the two preceding years, were Peat, Marwick, Mitchell & Co. and Clarkson Gordon. Each of these firms is a firm of chartered accountants.

CANADIAN TAXATION AFFECTING THE DEBENTURES

At the date hereof no tax is payable under the laws of Canada or any province, territory or other political subdivision thereof in respect of the Debentures or interest thereon by holders who deal at arm's length with the Bank and who are not and have never been resident or deemed residents of Canada under such laws and who do not use or hold and are not deemed by such laws to use or hold the Debentures in carrying on business in Canada.

A letter dated 29th July, 1986 from the Department of Finance, Canada, advises that a debenture issue such as the Debentures will be included in the definition of a prescribed obligation in the Regulations to the Income Tax Act of Canada for purposes of a proposed amendment to paragraph 212(1) (b) of that Act as contained in a Notice of Ways and Means Motion tabled in the House of Commons on 11th June, 1986. Under the proposed amendment, interest on a prescribed obligation will not be denied the withholding tax exemption which is now allowed for interest paid or credited to arm's length parties on certain long-term debt issued before 1989 by corporations resident in Canada.

The letter from the Department of Finance is not legally binding. Absolute assurance cannot be given that the proposed amendment will be enacted in its present form or that a regulation referred to in the letter will be promulgated.

SUBSCRIPTION AND SALE

Credit Suisse First Boston Limited, CIBC Limited, Daiwa Europe Limited, Goldman Sachs International Corp., Merrill Lynch International & Co., Morgan Guaranty Ltd, Morgan Stanley International, Salomon Brothers International Limited, Shearson Lehman Brothers International, Inc. Algemene Bank Nederland N.V., ANZ Merchant Bank Limited, Banque Bruxelles Lambert S.A., Banque Nationale de Paris, Banque Paribas Capital Markets Limited, Chase Manhattan Limited, Citicorp Investment Bank Limited, Commerzbank Aktiengesellschaft, County NatWest Capital Markets Limited, Crédit Commercial de France, Dai-ichi Kangyo International Limited, Deutsche Bank Capital Markets Limited, Dominion Securities Pitfield Limited, Dresdner Bank Aktiengesellschaft, First Interstate Capital Markets Limited, EF Hutton & Company (London) Ltd, IBJ International Limited, Manufacturers Hanover Limited, Mitsui Trust International Ltd., The Nikko Securities Co., (Europe) Ltd., Nomura International Limited, Swiss Bank Corporation International Limited, Union Bank of Switzerland (Securities) Limited, S.G. Warburg, Akroyd, Rowe & Pitman, Mullens Securities Ltd., Westpac Banking Corporation and Wood Gundy Inc. (the "Managers") have pursuant to a Subscription Agreement dated 5th August, 1986 (the "Subscription Agreement") agreed with the Bank, subject to the satisfaction of certain conditions, to procure subscribers or in default thereof to subscribe for the Debentures at the issue price of 100 per cent. The Bank will pay to the Managers a combined management and underwriting commission of 0.10 per cent. of the principal amount of the Debentures. In addition, the Bank has agreed to pay a selling commission of 0.10 per cent. of the principal amount of the Debentures and has agreed to reimburse the Managers an amount of up to U.S. \$75,000 in respect of certain of their expenses in connection with the issue of the Debentures. The Subscription Agreement entitles the Managers to terminate the Agreement in certain circumstances prior to payment to the Bank.

The Managers, on behalf of the Bank, have invited certain banks, brokers and dealers (the "Selling Group") to subscribe for Debentures at 100 per cent. of their principal amount for a selling commission of 0.10 per cent.

The Debentures have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"). Accordingly the Debentures may not be offered, sold or delivered directly or indirectly in the United States (which term as used herein means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction), or to any person ("U.S. person") who is a citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States, and an estate or trust the income of which is subject to United States federal income taxation regardless of its source, as part of the distribution of the Debentures. Offers and sales of the Debentures in the United States or to U.S. persons would constitute a violation of United States law unless made in compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom.

Each Manager and member of the Selling Group has agreed that it will not offer, sell or deliver Debentures, directly or indirectly, in the United States or to U.S. persons as part of the distribution of the Debentures except to a member of the Selling Group who is a U.S. person, and that it will not, as principal or agent, make any offers, sales or deliveries of Debentures otherwise acquired, in the United States or to U.S. persons prior to 90 days after the completion of the distribution of the Debentures, as determined by Credit Suisse First Boston Limited.

The Debentures are not qualified for sale in Canada and may not be offered or sold directly or indirectly in Canada. Each Manager and member of the Selling Group has agreed that it will not offer or sell Debentures in Canada or to or for the benefit of any resident thereof or distribute any offering material in Canada as part of the distribution of the Debentures and that it will not as principal or agent make any offers or sales of Debentures otherwise acquired in Canada or to residents of Canada prior to 90 days after the completion of the distribution of the Debentures, as determined by Credit Suisse First Boston Limited.

The Debentures may not be offered or sold in Great Britain, by means of any document, other than to persons whose ordinary business it is to buy or sell shares or debentures, whether as principal or agent (except in circumstances which do not constitute an offer to the public within the meaning of the Companies Act 1985 or, after the publication of the formal notice in relation to the Debentures required by The Stock Exchange, by means of this Extel Card or a document which indicates where copies of this Extel Card may be obtained or inspected) and any offering material relating to the Debentures (except, after the publication of the formal notice in relation to the Debentures as aforesaid, this Extel Card) may not be distributed or caused to be distributed in or from Great Britain, other than by a person permitted to do so under the securities laws of Great Britain, otherwise than to persons whose business involves the acquisition and disposal, or the holding, of securities (whether as principal or as agent).

See "Description of Debentures—Form, Denominations and Title" for information relating to the issue of a temporary Global Debenture initially representing the Debentures and the provisions for exchange of such temporary Global Debenture for definitive Debentures.

In connection with the issue of the Debentures, the Managers, may (without involving the Bank in any liability) over-allot or effect transactions with a view to stabilising or maintaining the market price of the Debentures at levels other than those which might otherwise prevail in the open market. Such action, if commenced, may be discontinued at any time.

GENERAL INFORMATION

1. The listing of the Debentures on The Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that the Council of The Stock Exchange will agree to list the Debentures on 8th August, 1986, subject only to the issue of the temporary Global Debenture. Transactions will normally be effected for settlement in U.S. dollars and for delivery on the fifth working day after the date of the transaction. Prior to official listing, however, dealings will be permitted by The Stock Exchange in accordance with its rules.
2. The Debentures have been accepted for clearance through Euro-clear (reference No. 17821) and CEDEL S.A. (reference No. 136560).
3. Neither the Bank nor any of its subsidiaries is involved in any legal or arbitration proceedings which may have or have had during the past 12 months a significant effect on the consolidated financial position of the Bank and its subsidiaries, nor is the Bank aware of any such proceedings pending or threatened.
4. Since 31st October, 1985 there has been no material adverse change in the consolidated financial position of the Bank and its subsidiaries. See, however, "Recent Developments" above.
5. Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the offices of Allen & Overy, 9 Cheapside, London EC2V 6AD, during the period of 14 days from the date hereof:
 - (i) the Charter and By-laws of the Bank;
 - (ii) the published audited annual consolidated Report and Accounts of the Bank for the two years ended 31st October, 1985 and the Interim Report of the Bank for the six-month period ended 30th April, 1986;
 - (iii) the Subscription Agreement; and
 - (iv) drafts, subject to modification, of the Trust Indenture (including the forms of the Debentures, the Coupons and the temporary Global Debenture), the Paying Agency Agreement and the Agent Bank Agreement.

HEAD OFFICE OF THE BANK

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TRUSTEE

National Trust Company,
21 King Street East,
Toronto M5C 1B3

PRINCIPAL PAYING AGENT

Canadian Imperial Bank of Commerce Trust Company,
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New York, N.Y. 10005

PAYING AGENTS

Canadian Imperial Bank of Commerce,
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London EC2N 3NN

Kredietbank S.A. Luxembourgeoise,
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AGENT BANK

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BROKERS

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Grenfell & Colegrave Ltd.,
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Dated 5th August, 1986.

