

Commerce Split Corp is an Investment Corporation designed to pay monthly cash dividends. The Corporation invests in common shares of Canadian Imperial Bank of Commerce, a Canadian financial institution with strong fundamentals and performance. Two types of shares are available, a Class A and a Preferred (Priority Equity Share).

Objectives

Preferred Shares (TSX: XCM.PR.A):

(i) to provide holders of the Preferred Shares with fixed, cumulative preferential monthly cash dividends in the amount of \$0.04375 per Preferred Share to yield **5.25% per annum** on the original issue price (\$10); and (ii) on or about December 1, 2014 (termination date), to pay the holders of the Preferred Shares the original issue price of those shares by way of the Portfolio Protection Plan.

Class A Shares (TSX: XCM):

(i) to provide holders of the Class A Shares with regular monthly cash dividends initially targeted to be \$0.05 per Class A Share to yield **6.0% per annum** on the original issue price; and (ii) on or about December 1, 2014 (termination date), to pay the holders of Class A Shares at least the original issue price (\$10) of those shares.

Distributions (by record date)

	XCM	XCM.PR.A	Total
Total to Date	\$0.5500	\$0.6328	\$1.1828
2008 YTD	\$0.0500	\$0.1750	\$0.2250
2007	\$0.5000	\$0.4578 ⁽¹⁾	\$0.9578

(1) Initial distribution for the period Feb 16/07 to Mar 31/07.

Commentary

Dramatic action was taken by the central banks around the world including the Bank of Canada which lowered the overnight lending rate another ½ percentage point. Lowering interest rates and providing liquidity to the market appears to have stabilized the credit crisis situation and allowed the market a confidence that has not been seen this year.

All major North American stock indices were up for the month of April by at least 4%. The TSX is positive year-to-date with a return of 0.7%

CIBC common stock increased approximately 12% over the month of April. The current dividend yield on the portfolio is 5.3%.

Details

Gross Proceeds:	\$174,200,000
Units Issued:	8,710,000
Inception Date:	Feb 16, 2007
Termination Date:	Dec 1, 2014
Net Asset Value:	\$13.43 (Apr 30/08)
Cash & Fixed Income Weighting:	12%
Canadian Equity Weighting:	88%
XCM.PR.A Trading Price:	\$8.70 (Apr 30/08)
Current Yield:	6.0% annually
Asset Coverage:	134%
Market Capitalization:	\$75,404,640
XCM Trading Price:	\$4.30 (Apr 30/08)
Current Yield:	10.5% annually
Market Capitalization:	\$37,268,960

Holding

Symbol

Canadian Imperial Bank of Commerce	CM
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