

# Press Release:

TSX SYMBOLS: XCM, XCM.PR.A

## COMMERCE SPLIT CORP.

### Announces Further Details on Proposed Reorganization

**TORONTO, ONTARIO – December 23, 2008 / Marketwire:** As previously reported in the press release dated December 5, 2008, Commerce Split (the “Company”) has initiated a proposed reorganization plan (the “Plan”).

The Plan was approved by the Board of Directors of the Company earlier today. The Company expects to send out the full details of this proposal to all shareholders through a Management Information Circular by January 13, 2009 with a shareholder vote to follow on February 5, 2009. The key aspects of the proposal are discussed below.

The Plan offers both Priority Equity and Class A shareholders with two choices. Effectively, there would be two investment options within the Company, each of which will be considered a separate investment fund.

The first Fund (Original Commerce Split) would function in much the same way as the Company now functions. There would continue to be two classes of shares related to this Fund: Priority Equity shares and Class A shares. The portfolio assets of the Fund would consist largely of cash and permitted repayment securities, and there would be limited exposure to the common shares of CIBC. There would continue to be a Priority Equity Portfolio Protection Plan in respect of this Fund.

The second Fund (New Commerce Split) would not have a Priority Equity Protection Plan associated with it, but rather would hold only shares of CIBC, to provide full exposure to a potential recovery in the value of CIBC common shares. The increased exposure to such common shares would create higher dividend income (assuming no changes to current dividends paid on the CIBC common shares) and the potential for much higher levels of income through the covered call writing program. In summary, under this option, Priority Equity Shares would receive the following securities for each Priority Equity share held: (i) one new \$5 Class I Preferred share to yield 7.5% per annum; (ii) one Class II Preferred share with a notional value of \$5 with distributions to yield 7.5% per annum on the \$5 notional issue price to commence if and when the net asset value per unit of the New Commerce Split exceeds \$12.50; and (iii) one half warrant. One full warrant can be exercised to purchase one Unit (consisting of one Class I Preferred share, one Class II Preferred share and one Capital share) for \$10.00 at specified times for a period of two years after the closing date of the reorganization, if approved. Class A shares would receive one Capital share which would continue to participate in any net asset value growth over \$10.00 per unit and dividends would only be reinstated if and when the net asset value per Unit exceeds \$15.00.

Therefore, the special resolution, if passed, will effectively offer all shareholders a choice of the status quo through the Original Commerce Split or participating in a new fund through New Commerce Split that potentially could offer increased distribution and capital growth potential. The Company believes providing this choice is in the best interests of all shareholders in light of the unprecedented and severe decline in CIBC shares and the fact that there is still 6 years remaining until the maturity date of the Company.

For further information please contact Investor Relations at 416-304-4443, toll free at 1-877-4-Quadra (1-877-478-2372), or visit [www.CommerceSplit.com](http://www.CommerceSplit.com).