



# CIBC Fixed Income Pools

## SIMPLIFIED PROSPECTUS

October 21, 2019

Series A, Series F, and Series O units of:

CIBC Conservative Fixed Income Pool

CIBC Core Fixed Income Pool

CIBC Core Plus Fixed Income Pool

No securities regulatory authority has expressed an opinion about these units and it is an offence to claim otherwise.

The funds and the units of the funds offered under this Simplified Prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

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## **Introduction**

In this document:

- a *Pool* or *Pools* refers to any or all of the mutual funds listed on the front cover;
- a *mutual fund* or *mutual funds* refers to mutual funds in general.

*We, us, our, the Manager, the Trustee and the Portfolio Advisor* refer to CIBC Asset Management Inc. (referred to as *CAMI*), which is a wholly-owned subsidiary of Canadian Imperial Bank of Commerce (referred to as *CIBC*).

We are also the manager of other mutual funds, including Renaissance Investments family of funds, Axiom Portfolios, Renaissance Private Pools, and CIBC Multi-Asset Absolute Return Strategy (an alternative investment fund) which, together with the Pools, are referred to collectively as the *CAMI Funds* or, each individually, as a *CAMI Fund*. CAMI is also the Manager of the CIBC Exchange-Traded Funds (referred to as *CIBC ETFs*). All CAMI Funds and CIBC ETFs are mutual funds which are subject to National instrument 81-102 – Investment Funds (referred to as *NI 81-102*).

The Pools invest in units of other mutual funds which may include exchange-traded funds (referred to as an *exchange-traded fund* or *ETF*), and which may be managed by us or our affiliates, and are referred to individually as an *Underlying Fund*, and collectively, as *Underlying Funds*.

This Simplified Prospectus contains selected important information to help you make an informed investment decision and understand your rights as an investor in the Pools.

This Simplified Prospectus is divided into two parts. The first part (pages 3 to 32) contains general information applicable to all of the Pools. The second part (pages 33 to 41) contains specific information about each of the Pools.

Additional information about each Pool is available in the Annual Information Form, the most recently filed Fund Facts, the most recently filed audited annual financial statements and any subsequent interim financial reports filed after those annual financial statements, and the most recently filed annual management report of fund performance (referred to as *MRFP*) and any subsequent interim MRFP filed after that annual MRFP. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this Simplified Prospectus as if they were printed in this document.

You can request copies of the above-mentioned documents at no cost:

- from your dealer;
- by calling us toll-free at 1-888-888-3863;
- by emailing us at [info@renaissanceinvestments.ca](mailto:info@renaissanceinvestments.ca); or
- by visiting our website at [renaissanceinvestments.ca](http://renaissanceinvestments.ca).

These documents, this Simplified Prospectus, and other information about the Pools are also available at [sedar.com](http://sedar.com).

## **General Information**

### **What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?**

A mutual fund is a pool of investments managed by professional money managers. People with similar investment goals contribute money to the mutual fund to become a unitholder of the mutual fund and share in its income, expenses, gains, and losses in proportion to their interests in the mutual fund. The benefits of investing in mutual funds include the following:

- *Convenience*: Various types of portfolios with different investment objectives requiring only a minimum amount of capital investment are available to satisfy the needs of investors.
- *Professional Management*: Experts with the requisite knowledge and resources are engaged to manage the portfolios of the mutual funds.
- *Diversification*: Mutual funds invest in a wide variety of securities and industries and sometimes in different countries. This leads to reduced risk exposure and helps in the effort to achieve capital appreciation.
- *Liquidity*: Investors are generally able to redeem their investments at any time.

- **Administration:** Recordkeeping, custody of assets, reporting to investors, income tax information, and the reinvestment of distributions are among the administrative matters that are handled, or arranged for, by the investment fund manager.

## The Risks of Investing in Mutual Funds

Mutual funds own different types of investments, depending on their investment objectives. The value of the investments a mutual fund owns will vary from day to day, notably reflecting changes in interest rates, economic conditions, and market and company news. As a result, the value of a mutual fund's units may go up and down, and the value of your investment in a mutual fund may be more or less when you redeem it than when you purchased it.

Your investment in a mutual fund is not guaranteed. Unlike bank accounts or guaranteed investment certificates (referred to as *GICs*), mutual fund units are not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. Under exceptional circumstances, a mutual fund may suspend redemptions. We describe these circumstances in *Redemptions under Purchases, Switches and Redemptions*.

Different investments have different types and levels of risk. Mutual funds also have different types and levels of risk, depending on the nature of the securities they own.

Risk tolerance will differ among individuals. You need to take into account your own comfort level with risk and the amount of risk suitable for your personal circumstances and investment goals. You should decide whether or not to invest in any of the Pools after careful consideration with your advisor as to the suitability of any of the Pools given their investment objectives and the information set out in this Simplified Prospectus. The Manager does not make any recommendation as to the suitability of the Pools for investment for an investor.

## Types of Investment Risks

The Pools invest in Underlying Funds and are therefore indirectly subject to the risks of those Underlying Funds, in proportion to their investments in each Pool. Outlined below are some of the most common risks that can affect the value of your investment in the Pools. Refer to *What are the Risks of Investing in the Fund?* under *Fund Details* for the principal risks associated with each Pool as at the date of this Simplified Prospectus.

### Asset Allocation Risk

Some mutual funds use a "fund-of-fund" structure to allocate their assets among their underlying fund(s). Asset allocation is an investment strategy that aims to optimally apportion a portfolio's assets. A mutual fund is subject to risks related to a portfolio advisor's allocation choices. There is no guarantee that a mutual fund will be able to successfully allocate its assets. Similarly, there is no guarantee against losses that may result from those allocation decisions.

### Asset-Backed and Mortgage-Backed Securities Risk

Asset-backed securities are debt obligations that are based on a pool of underlying assets. These asset pools can be made of any type of receivable such as consumer, student, or business loans, credit card payments, or residential mortgages. Asset-backed securities are primarily serviced by the cash flows of the pool of underlying assets that, by their terms, convert into cash within a finite period. Some asset-backed securities are short-term debt obligations with maturities of one year or less, called asset-backed commercial paper (referred to as *ABCP*). Mortgage-backed securities (referred to as *MBS*) are a type of asset-backed security that is based on a pool of mortgages on commercial or residential real estate.

If there are changes in the market perception of the issuers of these types of securities, or in the creditworthiness of the parties involved, or if the market value of the underlying assets is reduced, the value of the securities may be affected. In addition, there is a risk that there may be a mismatch in timing between the cash flow of the underlying assets backing the securities and the repayment obligation of the security upon maturity.

Concerns about the *ABCP* market may also cause investors who are risk averse to seek other short-term, cash-equivalent investments. This means that the issuers will not be able to sell new *ABCP* upon the maturity of existing *ABCP* ("roll" their *ABCP*) as they will have no investors to buy their new issues. This may result in the issuer being unable to pay the interest and principal of the *ABCP* when due.

In the case of MBS, there is also a risk that there may be a drop in the interest rate charged on the mortgages, a mortgagor may default on its obligation under a mortgage, or there may be a drop in the value of the commercial or residential real estate secured by the mortgage.

### **Capital Depreciation Risk**

Some mutual funds aim to generate or maximize income while attempting to preserve capital. In certain situations, such as periods of declining markets or changes in interest rates, a mutual fund's net asset value could be reduced such that it's unable to preserve capital. In these circumstances, a mutual fund's distributions may include a return of capital, and the total amount of any returns of capital made by a mutual fund in any year may exceed the amount of the net unrealized appreciation in a mutual fund's assets for the year, and any return of capital received by the mutual fund from the underlying investments. This may reduce a mutual fund's net asset value and its ability to generate future income.

### **Concentration Risk**

A mutual fund that invests or holds a higher concentration of assets in, or exposure to, a single issuer (including government and government-guaranteed issuers), it offers less diversification, which could have an adverse effect on its returns. By concentrating investments on fewer issuers or securities, there may be increased volatility in a mutual fund's unit price and there may be a decrease in a mutual fund's liquidity. Generally, a mutual fund will not invest more than 10% of its net asset value in any one issuer unless otherwise permitted by securities legislation.

### **Cybersecurity Risk**

With the prevalence of technologies such as the Internet to conduct business, mutual funds and managers of mutual funds are susceptible to operational, information security, and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber incidents affecting a mutual fund, its manager, and its service providers (including, but not limited to, any custodian and sub-custodians) have the ability to cause disruptions and impact each of their respective business operations, potentially resulting in financial losses, interference with the ability to calculate the mutual fund's net asset value, impediments to trading, the inability of unitholders to transact business with the mutual fund, and the inability of the mutual fund to process transactions including redemptions. Similar adverse consequences could result from cyber incidents affecting the issuers of securities in which the mutual fund invests and counterparties with which the mutual fund engages in transactions.

Cybersecurity breaches could cause the mutual fund and/or the manager of the mutual fund to be in violation of applicable privacy and other laws, and to incur regulatory fines, penalties, reputational damage, additional compliance costs associated with the implementation of any corrective measures, and/or financial loss. In addition, substantial costs may be incurred to prevent any cyber incidents in the future.

While the Manager has established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, inherent limitations exist in such plans and systems including the possibility that certain risks have not been identified. Furthermore, although the Manager has vendor oversight policies and procedures, the Manager cannot control the cybersecurity plans and systems of the Pools' service providers, the issuers of securities in which the Pools invest or any other third parties whose operations may affect the Pools or its unitholders. As a result, the Pools and their unitholders could be negatively affected.

### **Deflation Risk**

Deflation risk occurs when the general level of prices falls. In the event deflation occurs, the interest payments on real return bonds would shrink and the principal of the real return bonds would be adjusted downward.

### **Derivatives Risk**

A derivative is a financial instrument whose value is derived from the value of an underlying variable, usually in the form of a security or asset. Derivatives can be traded on exchanges or over-the-counter with other financial institutions, known as counterparties. There are many different kinds of derivatives, but derivatives usually take the form of an agreement between two parties to buy or sell an asset, such as a basket of stocks or a bond, at a future time for an agreed upon price.

Some common types of derivatives mutual funds may use include:

***Futures contracts:*** an exchange-traded contract involving the obligation of the seller to deliver, and the buyer to receive, certain assets (or a money payment based on the change in value of certain assets or an index) at a specified time.

***Forward contracts:*** a private (i.e. over-the-counter) contract involving the obligation of the seller to deliver, and the buyer to receive, certain assets (or a money payment based on the change in value of certain assets or an index) at a specified time.

***Options:*** an exchange-traded or private (i.e. over-the-counter) contract involving the right of a holder to sell (put) or buy (call) certain assets (or a money payment based on the change in value of certain assets or an index) from another party at a specified price within a specified time period.

***Swaps:*** a private (i.e. over-the-counter) contract between two parties used to exchange periodic payments in the future based on a formula to which the parties have agreed. Swaps are generally equivalent to a series of forward contracts packaged together.

Mutual funds may use derivatives for two purposes: hedging and effective exposure (non-hedging).

#### **Hedging**

Hedging means protecting against changes in the level of security prices, currency exchange rates, or interest rates that negatively affect the price of securities held in a mutual fund. There are costs associated with hedging as well as risks, as outlined below.

#### **Effective Exposure (Non-Hedging)**

Effective exposure means using derivatives, such as futures, forwards, options, swaps, or similar instruments, instead of investing in the actual underlying investment. A mutual fund might do this because the derivative may be cheaper, it may be sold more quickly and easily, it may have lower transaction and custodial costs, or because it can make the portfolio more diversified. However, effective exposure does not guarantee that a mutual fund will make money. The use of derivatives carries numerous risks, including:

- there is no guarantee the hedging or non-hedging strategy will be effective and achieve the intended effect;
- derivatives entered for hedging purposes may expose a mutual fund to losses if the derivative does not correlate with the underlying security or asset they were designed to hedge. Hedging may also reduce the opportunity for gains if the value of the hedged investment rises, because the derivative could incur an offsetting loss. Hedging may also be costly or difficult to implement;
- there is no guarantee that a mutual fund will be able to find an acceptable counterparty willing to enter into a derivative contract;
- certain derivatives traded over-the-counter are contracted between a mutual fund and a counterparty. It is possible that the other party in a derivative contract (referred to as the *counterparty*) may not be able to fulfill a promise to buy or sell the derivative, or settle the transaction, which could result in a loss to a mutual fund. Also, many counterparties are financial institutions such as banks and broker-dealers and their creditworthiness (and ability to pay or perform) may be negatively impacted by factors affecting financial institutions generally. In addition, a mutual fund may engage in cleared specified derivatives with certain counterparties that do not have a “designated rating” under NI 81-102, which may increase the risk that such counterparty may fail to perform its obligations, resulting in a loss to a mutual fund;
- when entering into a derivative contract, a mutual fund may be required to provide margin or collateral to the counterparty, which exposes a mutual fund to the credit risk of the counterparty. If the counterparty becomes insolvent, a mutual fund could lose its margin or its collateral or incur expenses to recover;

- the use of futures or other derivatives can amplify a gain, but can also amplify a loss, which can be substantially more than the initial margin of collateral deposited by a mutual fund;
- many derivatives, particularly those that are privately negotiated, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to a mutual fund;
- derivatives can drop in value just as other investments can drop in value;
- the price of the derivative may change more than the price of the underlying security or asset;
- derivative prices can be affected by factors other than the price of the underlying security or asset; for example, some investors may speculate in the derivative, driving the price up or down;
- if trading in a substantial number of stocks in an index is interrupted or stopped, or if the composition of the index changes, it could adversely affect derivatives based on that index;
- it may be difficult to unwind a futures, forward, or option position because the futures or options exchange has imposed a temporary trading limit, or because a government authority has imposed restrictions on certain transactions;
- there is no assurance that a liquid market will always exist when a mutual fund wants to buy or sell. This risk may restrict a mutual fund's ability to realize its profits or limit its losses;
- derivatives traded on certain foreign markets may be harder to price and/or close out than those traded in Canada;
- where the derivatives contract is a commodity futures contract, a mutual fund will endeavor to settle the contract with cash or an offsetting contract. There is no guarantee a mutual fund will be able to do so. This could result in a mutual fund having to make or take delivery of the commodity; and
- the regulation of derivatives is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory changes may make it more difficult, or impossible, for a mutual fund to use certain derivatives.

The use of derivative strategies may also have a tax impact on a mutual fund. The timing and character of income, gains or losses from these strategies could impair the ability of the portfolio advisor to use derivatives when it wishes to do so.

### **Emerging Markets Risk**

The risks of foreign investments are usually greater in emerging markets. An emerging market includes any country that is defined as emerging or developing by the World Bank, the International Finance Corporation, or the United Nations, or any country that is included in the MSCI Emerging Markets Index. The risks of investing in an emerging market are greater because such markets tend to be less developed.

Many emerging markets have histories of, and continue to present the risk of, hyper-inflation and currency devaluations versus the dollar, which adversely affect returns to Canadian investors. In addition, the securities markets in many of these countries have far lower trading volumes and less liquidity than those in developed markets. Because these markets are so small, investments in them may suffer sharper and more frequent price changes or long-term price depression due to adverse publicity, investor perceptions, or the actions of a few large investors. In addition, traditional measures of investment value used in Canada, such as price-to-earnings ratios, may not apply to certain small markets.

A number of emerging markets have histories of instability and upheaval in internal politics that could increase the chances that their governments would take actions that are hostile or detrimental to private enterprise or foreign investment. Certain emerging markets may also face other significant internal or external risks, including the risk of war or civil conflicts. Governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth.

### **Exchange-Traded Fund Risk**

Some mutual funds may invest in one or more other mutual fund whose securities are listed for trading on an exchange, and are referred to as an *exchange-traded fund* or *ETF*. The investments of ETFs may include stocks, bonds, commodities and other financial instruments. Some ETFs, known as index participation units (referred to as *IPUs*), attempt to replicate the performance of a widely-quoted market index. Not all ETFs are IPUs. ETFs and

their underlying investments are subject to the same general types of investment risks as mutual funds, including those that are outlined in this Simplified Prospectus. The risk of each ETF will be dependent on the ETF's structure and underlying investments. ETF units may trade below, at, or above their respective net asset value per unit. The trading price of ETF units will fluctuate in accordance with changes in the ETF's net asset value per unit, as well as the market supply and demand on the respective stock exchanges on which they trade.

### **Fixed Income Risk**

One risk of investing in fixed income securities, such as bonds, is that the issuer of the security could have its credit risk downgraded or that it could default by failing to make a scheduled interest and/or principal payment when due. This is generally referred to as "credit risk". The degree of credit risk will depend not only on the financial condition of the issuer, but also on the terms of the bonds in question. Securities issued by issuers that have a low credit rating are considered to have a higher credit risk than securities issued by issuers with a higher credit rating. A mutual fund may reduce credit risk by investing in senior bonds, those that have a claim prior to junior obligations and equity securities on the issuer's assets in the event of bankruptcy. Credit risk may also be minimized by investing in bonds that have specific assets pledged to the lender during the term of the debt.

Prices of fixed income securities generally increase when interest rates decline and decrease when interest rates rise. This risk is known as "interest rate risk". Prices of longer-term fixed income securities generally fluctuate more in response to interest rate changes than do shorter-term securities.

Mutual funds that invest in convertible securities also carry interest rate risk. These securities provide a fixed income stream, so their value varies inversely with interest rates, just like bond prices. Convertible securities are generally less affected by interest rate fluctuations than bonds because they can be converted into common shares.

### **Floating Rate Loan Risk**

The following risks are associated with investments in floating rate loans:

#### **Illiquidity**

The liquidity of floating rate loans, including the volume and frequency of secondary market trading in such loans, varies significantly over time and among individual floating rate loans and trading in floating rate loans may exhibit wide bid/ask spreads and extended trade settlement periods. For example, if the credit quality of a floating rate loan declines unexpectedly and significantly, secondary market trading in that floating rate loan can also decline for a period of time. During periods of infrequent trading, valuing a floating rate loan can be difficult, and buying and selling a floating rate loan at an acceptable price can be difficult and may take more time. A loss can result if a floating rate loan cannot be sold at the time, or at the price, that the mutual fund would prefer.

#### **Insufficient Collateral**

Floating rate loans are often secured by specific collateral of the borrower. The value of the collateral can decline, be insufficient to meet the obligations of the borrower or be difficult to liquidate. As a result, a floating rate loan may not be fully collateralized and can decline significantly in value. In the event of the bankruptcy of a borrower, the mutual fund could experience delays or limitation with respect to its ability to realize benefits of any collateral securing the loan.

#### **Legal and Other Expenses**

In order to enforce its rights in the event of default, bankruptcy or similar situation, a mutual fund may be required to retain legal or similar counsel. In addition, a mutual fund may be required to retain legal counsel to acquire or dispose of a loan. This may increase a mutual fund's operating expenses and adversely affect its net asset value.

#### **Limitations on Assignment**

Floating rate loans are generally structured and administered by a financial institution that acts as the agent of the lenders participating in the floating rate loan. Floating rate loans may be acquired directly through the agent, as an assignment from another lender who holds a direct interest in the floating rate loan, or as a participation interest in another lender's portion of the floating rate loan. Assignments typically require the consent of the borrower and the agent. If consent is withheld, a mutual fund will be unable to dispose of a loan which could



result in a loss or lower return for a mutual fund. A participation interest may be acquired without consent of any third parties.

#### Lower Credit Quality

Floating rate loans typically are below investment-grade quality and have below investment-grade credit ratings generally associated with assets having high risk and speculative characteristics. The credit ratings of loans may be lowered if the financial condition of the borrower changes. Credit ratings assigned by rating agencies are based on a number of factors and may not reflect the issuer's current financial condition or the volatility or liquidity of the loan. In addition, the value of lower rated loans can be more volatile due to increased sensitivity to adverse borrower, political, regulatory, market, or economic developments. An economic downturn generally leads to a higher non-payment rate, and a loan may lose significant value before default occurs.

#### Ranking

Floating rate loans may be made on a subordinated and/or unsecured basis. Due to their lower standing in the borrower's capital structure, these loans can involve a higher degree of overall risk than senior loans of the same borrower.

#### Foreign Currency Risk

Some mutual funds may have exposure to securities denominated or traded in currencies other than the Canadian dollar. The value of these securities will be affected by changes in foreign currency exchange rates. Generally, when the Canadian dollar rises in value against a foreign currency, your investment is worth fewer Canadian dollars. Conversely, when the Canadian dollar decreases in value against a foreign currency, your investment is worth more Canadian dollars. Thus, foreign currency risk gives rise to the possibility that a stronger Canadian dollar will reduce returns for Canadians investing outside of Canada, and that a weaker Canadian dollar will increase returns for Canadians investing outside of Canada.

#### Foreign Market Risk

Some mutual funds may take advantage of investment opportunities available in other countries.

Foreign market securities offer broader diversification than an investment made only in Canada since the price movement of securities traded on foreign markets tends to have a low correlation with the price movement of securities traded in Canada. Foreign investments, however, involve special risks not applicable to Canadian and U.S. investments that can increase the chance that a mutual fund will lose money.

The economies of certain foreign markets may rely heavily on particular industries or foreign capital, and are more vulnerable to diplomatic developments, the imposition of economic sanctions against a particular country or countries, changes in international trading patterns, trade barriers, and other protectionist or retaliatory measures.

Investments in foreign markets may be adversely affected by governmental actions, such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets, or the imposition of punitive taxes. Like other investment companies and business organizations, a mutual fund could be adversely affected if a participating country withdraws from, or other countries join, economic or currency unions.

The governments of certain countries may prohibit or impose substantial restrictions on foreign investment in their capital markets or in certain industries. Any of these actions could severely affect security prices, impair a mutual fund's ability to purchase or sell foreign securities or transfer its assets or income back into Canada, or otherwise adversely affect a mutual fund's operations.

Other foreign market risks include foreign exchange controls, difficulties in pricing securities, defaults on foreign government securities, difficulties in enforcing favourable legal judgments in foreign courts, different accounting standards, and political and social instability. Legal remedies available to investors in certain foreign countries may be less extensive than those available to investors in Canada or other foreign countries.

Since there are generally fewer investors and a smaller number of shares traded each day on some foreign exchanges, it may be difficult for a mutual fund to buy and sell securities on those exchanges. In addition, prices of foreign securities may fluctuate more than prices of securities traded in Canada.

### **General Market Risk**

General market risk is the risk that markets will go down in value, including the possibility that markets will go down sharply and unpredictably. Several factors can influence market trends, such as economic developments, changes in interest rates, political changes, and catastrophic events. All types of investments, including mutual funds, are subject to general market risk.

### **Large Investor Risk**

Mutual funds may be purchased and redeemed in significant amounts by a unitholder. In circumstances where a unitholder with significant holdings redeems a large number of units of a mutual fund at one time, the mutual fund may be forced to sell its investments at the prevailing market price (whether or not the price is favourable) in order to execute such a request. This could result in significant price fluctuations to the net asset value of the mutual fund, and may potentially reduce its returns. The risk can occur due to a variety of reasons, including if the mutual fund is relatively small or is purchased by (a) a financial institution, including CIBC or an affiliate, to hedge its obligations relating to a guaranteed investment product or other similar products whose performance is linked to the performance of a mutual fund, (b) another mutual fund, or (c) an investment manager as part of a discretionary managed account or an asset allocation service.

### **Liquidity Risk**

Liquidity is the ability to sell an asset for cash easily and at a fair price. Some securities are illiquid due to legal restrictions on their resale, the nature of the investment, or simply a lack of interested buyers for a particular security or security type. Certain securities may become less liquid due to changes in market conditions, such as interest rate changes or market volatility, which could impair the ability of a mutual fund to sell such securities quickly or at a fair price. Difficulty in selling securities could result in a loss or lower return for a mutual fund.

### **Lower-Rated Bond Risk**

Some mutual funds may invest in lower-rated bonds, also known as high-yield bonds, or unrated bonds that are comparable to lower-rated bonds. The issuers of lower-rated bonds are often less financially secure, so there is a greater chance of the bond issuer defaulting on the payment of interest or principal. Lower-rated bonds may be difficult or impossible to sell at the time and at the price that the mutual fund would prefer. In addition, the value of lower-rated bonds may be more sensitive than higher-rated bonds to a downturn in the economy or to developments in the company issuing the bond.

### **Prepayment Risk**

Certain fixed income securities, including floating rate loans, may be subject to the repayment of principal by their issuer before the security's maturity. If a prepayment is unexpected or if it occurs faster than predicted, the fixed income security may pay less income and its value may decrease.

### **Regulatory Risk**

There can be no assurance that certain laws applicable to mutual funds, such as income tax and securities laws, and the administrative policies and practices of the applicable regulatory authorities, will not be changed in a manner that adversely affects mutual funds or their investors.

### **Securities Lending, Repurchase, and Reverse Repurchase Transactions Risk**

Some mutual funds may enter into securities lending transactions, repurchase transactions, and reverse repurchase transactions to earn additional income. There are risks associated with securities lending, repurchase, and reverse repurchase transactions. Over time, the value of the securities loaned under a securities lending transaction or sold under a repurchase transaction might exceed the value of the cash or other collateral held by a mutual fund. If the third party defaults on its obligation to repay or resell the securities to the mutual fund, the cash or other collateral may be insufficient to enable the mutual fund to purchase replacement securities, and the mutual fund may suffer a loss for the difference. Likewise, over time, the value of the securities purchased by a mutual fund under a reverse repurchase transaction may decline below the amount of cash paid by the mutual fund to the third party. If the third party defaults on its obligation to repurchase the securities from the mutual fund, it may need to sell the securities for a lower price and suffer a loss for the difference.

**Series Risk**

Some mutual funds may offer multiple series of units. Each series of units has its own fees and expenses, which are tracked separately by the mutual fund. However, if a series of units is unable to pay all of its fees and expenses, the mutual fund's other series are legally responsible for making up the difference. This could lower the investment returns of the other series.

**Short Selling Risk**

Some mutual funds may engage in short selling transactions. In a short selling strategy, a portfolio advisor or portfolio sub-advisor(s) identify securities that they expect will fall in value. A short sale is where a mutual fund borrows securities from a lender and sells them on the open market. The mutual fund must repurchase the securities at a later date in order to return them to the lender. In the interim, the proceeds from the short sale transaction are deposited with the lender and the mutual fund pays interest to the lender on the borrowed securities. If the mutual fund repurchases the securities later at a lower price than the price at which it sold the borrowed securities on the open market, a profit will result. However, if the price of the borrowed securities rises, a loss will result. There are risks associated with short selling, namely that the borrowed securities will rise in value or not decline enough in value to cover the mutual fund's costs, or that market conditions will cause difficulties in the sale or repurchase of the securities. In addition, the lender from whom the mutual fund borrowed securities may become bankrupt before the transaction is complete, causing the borrowing mutual fund to forfeit the collateral it deposited when it borrowed the securities.

**Sovereign Debt Risk**

Some mutual funds may invest in sovereign debt securities which are issued or guaranteed by foreign government entities. Investments in sovereign debt are subject to the risk that a government entity may delay or refuse to pay interest or repay principal on its sovereign debt. Some of the reasons for this may include cash flow problems, insufficient foreign currency reserves, political considerations, the size of its debt position relative to its economy, or failure to put in place economic reforms required by the International Monetary Fund or other agencies. If a government entity defaults, it may ask the lender for more time in which to pay, a reduction in the interest rate, or for further loans. There is no legal process for collecting sovereign debts that a government does not pay or bankruptcy proceeding by which all or part of sovereign debt that a government entity has not repaid may be collected.

## Organization and Management of the CIBC Fixed Income Pools

The table below lists the companies and other entities that are involved in managing or providing services to the Pools and outlines their key responsibilities.

Company	Key Responsibilities
<b>Manager</b> CIBC Asset Management Inc. (CAMI) 18 York St., Suite 1300 Toronto, Ontario M5J 2T8	As Manager, we are responsible for the overall business and operation of the Pools. This includes providing for, or arranging to provide for, the day-to-day administration of the Pools. CAMI is a separate legal entity and a wholly-owned subsidiary of CIBC.
<b>Trustee</b> CIBC Asset Management Inc. Toronto, Ontario	As Trustee, we hold title to the Pools' property (the cash and securities) on behalf of its unitholders under the terms described in the Pools' master declaration of trust (referred to as the <i>Declaration of Trust</i> ).
<b>Portfolio Advisor</b> CIBC Asset Management Inc. Toronto, Ontario	As Portfolio Advisor, CAMI provides, or arranges to provide, investment advice and portfolio management services to the Pools.  CAMI may from time to time hire portfolio sub-advisors to provide investment advice and portfolio management services to the Pools.

Company	Key Responsibilities
<b>Custodian</b> CIBC Mellon Trust Company Toronto, Ontario	As custodian, CIBC Mellon Trust Company (or its sub-custodians) holds the Pools' assets. While not an affiliate, CIBC currently owns a 50% interest in CIBC Mellon Trust Company.
<b>Registrar and Transfer Agent</b> CIBC Asset Management Inc. Montreal, Quebec	As registrar and transfer agent, CAMI keeps a record of all the Pools' unitholders, processes orders, and issues tax slips to unitholders.
<b>Auditor</b> Ernst & Young LLP Toronto, Canada	As auditor, Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, audits the Pools' annual financial statements and provides an opinion as to whether they are fairly presented in accordance with International Financial Reporting Standards. Ernst & Young LLP is independent with respect to the Pools in the context of the CPA Code of Professional Conduct of the Chartered Professional Accountants of Ontario.
<b>Independent Review Committee</b>	<p>The Manager has established an Independent Review Committee (referred to as the <i>IRC</i>) for the Pools. The IRC charter sets out the IRC's mandate, responsibilities, and functions (referred to as the <i>Charter</i>). The Charter is posted on our website at <a href="http://renaissanceinvestments.ca">renaissanceinvestments.ca</a> under <i>Reporting &amp; Governance</i>.</p> <p>As at the date of this Simplified Prospectus, the IRC is comprised of five members, the composition of which may change from time to time.</p> <p>The IRC reviews, and provides input on, the Manager's written policies and procedures that deal with conflict of interest matters for the Manager. At least annually, the IRC prepares a report of its activities for unitholders that is available at <a href="http://renaissanceinvestments.ca">renaissanceinvestments.ca</a> under <i>Reporting &amp; Governance</i>, or at a unitholder's request, at no cost, by emailing us at <a href="mailto:info@renaissanceinvestments.ca">info@renaissanceinvestments.ca</a> or by contacting us at 1-888-888-3863.</p> <p>Refer to <i>Independent Review Committee</i> under <i>Additional Information</i>, or to the Pools' Annual Information Form, for more information on the IRC, including the names of the IRC members.</p>

## Fund-of-Funds

The Pools invest in units of Underlying Funds which may be managed by us or an affiliate. For a description of those Underlying Funds, refer to the simplified prospectus, annual information form, fund facts, and financial statements of the Underlying Funds, which are available at [sedar.com](http://sedar.com) or by calling us toll-free at 1-888-888-3863. These Underlying Funds may change from time to time. Unitholders of the Pools have no voting rights of ownership in the units of any Underlying Fund. Where the Underlying Fund is managed by us or an affiliate, if there is a unitholder meeting with respect to the Underlying Fund, we will not vote the proxies in connection with the Pool's holdings of the Underlying Fund. Under certain circumstances, we may arrange to send proxies to unitholders of the Pool so that they can direct the vote on the matters being presented.

## Purchases, Switches and Redemptions

Each Pool is permitted to have an unlimited number of classes of units, each of which is issuable in an unlimited number of series. Each Pool is permitted to issue an unlimited number of units of each series, each of which is divided into units of participation of equal value. In the future, the offering of any series of units of a Pool may be terminated, or additional series of units may be offered under separate simplified prospectuses, confidential offering memoranda, or otherwise.

## About the Series of Units We Offer

To help you choose the series of units that is the most suitable for you, a description of each of the series we offer is provided in the table below. It is up to you and your investment advisor to determine which series is appropriate for you. Refer also to *Purchases*, including *Minimum Investments*, for more information.

Series	Description
<b>Series A units</b>	Series A units are available to all investors, subject to certain minimum investment requirements.
<b>Series F units</b>	Series F units are available, subject to certain minimum investment requirements, to investors participating in programs that do not require the payment of sales charges by investors and do not require the payment of service or trailing commissions to dealers. For these investors, we “unbundle” the typical distribution costs and charge a lower management fee. Potential investors include clients of “fee-for-service” investment advisors, dealer-sponsored “wrap accounts”, and others who pay an annual fee to their dealer instead of transactional sales charges and where the dealer does not receive service fees or trailing commissions from us.
<b>Series O units</b>	<p>Series O units are available to certain investors, at our discretion, including institutional investors or segregated funds that use a fund-of-fund structure, other qualified investors who have entered into a Series O unit account agreement with us, investors whose dealer or discretionary manager offers separately managed accounts or similar programs and whose dealer or discretionary manager has entered into a Series O unit account agreement with us, and mutual funds managed by us or an affiliate that use a fund-of-fund structure.</p> <p>We reserve the right to fix a minimum initial and subsequent investment amount for purchases of Series O units at any time and, from time to time, as part of the criteria for approval. In addition, if the amount of the investment by the investor is too small relative to the administrative costs of the investor’s participation in Series O units, we may require that the Series O units be redeemed or converted into another series of units of the Pool.</p> <p>No management fees are charged in respect of Series O units; instead, a negotiated management fee is charged by us directly to, or as directed by, Series O unitholders. For dealers or discretionary managers who offer separately managed accounts or similar programs, the dealer or discretionary manager may negotiate a separate fee applicable to all dealers or discretionary manager accounts under such program. Any such aggregated fee, or fee determined on another basis, would be paid directly to us by the dealer or discretionary manager. If the agreement between CAMI and the dealer or discretionary manager is terminated, or if an investor chooses to withdraw from the dealer’s program, the Series O units held by the investor may be either redeemed or converted into another eligible series of units of the Pool.</p> <p>For fees and expenses payable directly by investors, the rate of GST or HST, as applicable, will be determined based on the investor’s place of residence. Management fees paid directly to the Manager by the investor are generally not deductible for tax purposes. You should consult your own tax advisor with respect to the extent to which fees paid by you in connection with an investment in units of a Pool may be deductible.</p>

## How Units of the Pools are Valued

### Net Asset Value per Unit

The net asset value per unit of each series of a Pool is the price used for all purchases (including purchases made on the reinvestment of distributions), switches, conversions and redemptions of units. The price at which units of a series are issued or redeemed is based on the next net asset value per unit determined after receipt of the purchase, switch, conversion, or redemption order. All transactions are based on the Pool’s series net asset value per unit.

We usually calculate the series net asset value per unit for each Pool on each business day after the Toronto Stock Exchange (referred to as the *TSX*) closes, usually 4:00 pm Eastern Time (referred to as *ET*), or such other time as determined by the Trustee (referred to as the *valuation time*). A Fund's valuation date is any day when our Toronto head office is open for business or any other day determined by the Trustee (referred to as the *valuation date*). The net asset value per unit can change daily.

### **How We Calculate Net Asset Value per Unit**

The net asset value per unit of a series is determined on each valuation date. A separate net asset value per unit is calculated for each series of a Pool by taking the total series' proportionate share of the value of the Pool's assets less the series' liabilities and the series' proportionate share of the common Pool liabilities. This gives us the net asset value for the series. We divide this amount by the total number of units of the series that are outstanding to determine the net asset value per unit for the series.

To determine what your investment in a Pool is worth, multiply the net asset value per unit of the units you own by the number of units you own.

In the case of Series O units, we will absorb the proportionate share of common and series-specific operating expenses that are allocated to Series O units (other than Fund Costs, as defined below, allocated in respect of Series O). As a result, such expenses will not reduce the Series O net asset value per unit.

Although the purchase, switch, conversion, and redemption of units are recorded on a net asset value per unit basis, the assets attributable to all of the units of a Pool are aggregated to create one portfolio for investment purposes.

### **How to Purchase, Switch, Convert or Redeem Units**

Your investment advisor is the person from whom you usually purchase units of the Pools. Your dealer is the firm for which your investment advisor works. You may purchase, switch, convert or redeem units of the Pools (except as described below) through your dealer. Your dealer is retained by you and is not our agent or an agent of the Pools. For a description of each series of units we offer, refer to *About the Series of Units We Offer* (above).

On the same day your dealer receives your order from you, your dealer must send your order to our office in Montreal. If we receive your order from your dealer by 4:00 p.m. ET, you will pay or receive that day's net asset value per unit of the relevant series. If we receive your order from your dealer after 4:00 p.m. ET, you will pay or receive the net asset value per unit of the relevant series calculated on the next business day. If we determine that the net asset value per unit will be calculated at a time other than after the usual valuation time, the net asset value per unit paid or received will be determined relative to that time. Your dealer may establish an earlier cut-off time for receiving orders so they can transmit orders to us by 4:00 pm ET; check with your dealer for details.

All orders settle by the second business day after the day the purchase price for the units is determined. If we do not receive payment in full, we will cancel your order and redeem the units. If we redeem the units for more than the value for which they were issued, the difference will go to the Pool. If we redeem the units for less than the value for which they were issued, we will pay the difference to the Pool and collect this amount, plus the cost of doing so, from your dealer. Your dealer may require you to reimburse the amount paid if your dealer suffers a loss as a result.

We have the right to refuse, in whole or in part, any order to purchase units of the Pools. We must do so within one (1) business day from the time we receive the order. If we do so, we will return all money received to you or your dealer, without interest, once the payment clears.

We may, at our discretion and without notice, vary or waive any minimum investment or account balance criteria that applies to purchases, redemptions and certain optional services currently offered by us.

At any time, we may redeem all units that a unitholder owns in a Pool if we determine, at our discretion, that:

- the unitholder engages in short-term or excessive trading;
- it has negative effects on the Pool to have units continue to be held by a unitholder, including for legal, regulatory or tax reasons, upon providing five (5) business days' prior notice to such unitholder;

- the criteria we establish for eligibility to hold units, either specified in the relevant disclosure documents of the Pool, or in respect of which notice has been given to unitholders, are not met; or
- it would be in the best interest of the Pool to do so.

Unitholders will be responsible for all the tax consequences, costs, and losses, if any, associated with the redemption of units of a Pool in the event that we exercise our right to redeem.

### **Short-Term Trading**

If you redeem or switch units of a Pool in the 30 day period following your purchase, we may charge a short-term trading fee of up to 2% of the value of your units. This fee is paid to the Pool and not to us. Refer to *Short-Term Trading Fee* under *Fees and Expenses* for more information.

As the Pools invest only in Underlying Funds, the Pools may pass on this fee to their Underlying Funds. We have the right to refuse purchase orders for any reason, including as a result of short-term or excessive trading. In addition, we may at any time redeem all units that a unitholder owns in a Pool if we determine, at our discretion, that such unitholder engages in short-term or excessive trading.

Short-term or excessive trading can increase administrative costs to all investors. Mutual funds are typically intended to be long-term investments. The Pools have policies and procedures to monitor, detect and deter short-term or excessive trading, and to mitigate undue administrative costs for the Pools.

In some cases, an investment vehicle can be used as a conduit for investors to get exposure to the investments of one or more mutual funds (e.g. fund-of-funds), asset allocation services or discretionary managed accounts, insurance products (e.g. segregated funds), or notes issued by financial institutions or governmental agencies (e.g. structured notes). These investment vehicles may purchase and redeem units of a Pool on a short-term basis, but as they are typically acting on behalf of numerous investors, the investment vehicle itself is generally considered to not be engaging in harmful short-term trading for the purposes of the Pool's policies and procedures.

The short-term trading fee does not apply to units an investor receives from reinvested distributions or management fee distributions, or at the time of conversion, to units converted to another series of units of the same Pool.

Refer to the Pools' Annual Information Form for more information on our policies and procedures related to short-term or excessive trading.

### **Purchases**

All series of units of the Pools may be purchased in Canadian dollars only.

Information about sales charges for each series of units is provided in the table below. When considering which series of units to purchase, you should consider the eligibility factors, including the minimum investment amount, pertaining to each series of units, and any other factors. Refer to *About the Series of Units We Offer* (above) and *Minimum Investments* (below) for more information.

<b>Series of Units</b>	
<b>Series A units</b>	Series A units are available for purchase under the front-end load option, under which you pay an upfront sales charge of between 0% to 5% that you negotiate with your dealer when you purchase units. The charge is calculated as a percentage of the amount invested, and is deducted from the amount you invest and remitted by us to the dealer on your behalf. You do not pay a deferred sales charge (referred to as a DSC) if you redeem your units, but you may have to pay a short-term trading fee, if applicable.
<b>Series F units</b>	You do not pay a sales charge or DSC when you purchase or redeem Series F units. Instead, you pay a fee directly to your dealer for investment advice and other services. You may have to pay a short-term trading fee, if applicable.

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## Series of Units

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### Series O units

You do not pay a sales charge or DSC when you purchase or redeem Series O units. Instead, a negotiated management fee is charged by us directly to, or as directed by, Series O unitholders, or dealers or discretionary managers on behalf of unitholders. You may have to pay a short-term trading fee, if applicable.

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## Minimum Investments

The table below shows the minimum initial and additional investment amounts, and the minimum regular investment amount under a Pre-Authorized Chequing Plan (referred to as a *PAC Plan*), for each series of units of the Pools.

	Minimum Initial Investment	Minimum Additional Investment	Minimum Regular Investment for a PAC Plan
Series A and Series F units	\$500	\$100	\$50
<b>Series O units:</b>	We reserve the right to fix a minimum amount for initial investments and additional purchases at any time and, from time to time, as part of the criteria for approval.		

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Refer to *Pre-Authorized Chequing Plan* under *Optional Services* for more information.

## Switches

***Before proceeding with any switch, it is important that you discuss the proposed switch with your dealer as well as your tax advisor so that you are fully aware of all the implications of making the switch.***

Except as outlined below, you may redeem units of a Pool to purchase certain classes or series of units of another CAMI Fund available for purchase in Canadian dollars. This is called a “switch”. We may allow switches from a Pool to other mutual funds managed by us or our affiliates.

Switches are subject to the minimum initial investment requirement governing each series of units– refer to *Minimum Investments* under *Purchases* (above) for more information.

Units of a Pool cannot be switched during any period when redemptions have been suspended – refer to *When You May Not Be Allowed to Redeem Your Units* under *Redemptions* (below) for more information.

You may place an order to switch through your dealer. When we receive your order to switch, we will redeem your units in the Pool and use the proceeds to purchase units of the other CAMI Fund to which you are switching. You may have to pay your dealer a switch fee of up to 2% of the value of your units. If you switch units of a Pool within 30 days of purchasing them, a short-term trading fee may also be payable – refer to *Switch Fee and Short-Term Trading Fee* under *Fees and Expenses* for more information.

If, as a result of a switch, you fail to maintain the required minimum balance amount per series of units of a Pool (refer to *Redemptions*), we may require you to increase your investment in the series to the minimum balance amount, or to redeem your remaining investment in the series after giving you 30 days’ prior written notice to that effect.

A switch into Series O units of a Pool from another CAMI Fund is only allowed if you already have a Series O unit account agreement in place with us, as previously described.

A switch is a disposition for tax purposes and may result in a capital gain or capital loss if the units are held outside of a registered plan. Refer to *Income Tax Considerations for Investors* for more information.



## Conversions

***Before proceeding with any conversion, it is important that you discuss the proposed conversion with your dealer as well as your tax advisor so that you are fully aware of all the implications of making the conversion.***

Except as outlined below, you may convert from one series of units of a Pool to another series of units of the same Pool if you are an eligible investor for such other series of units. This is called a “conversion”. Refer to *About the Series of Units We Offer* for more information about eligibility factors.

Conversions are subject to the minimum initial investment requirement governing each series of units – refer to *Minimum Investments under Purchases* (above) for more information.

Units of a Pool cannot be converted during any period when redemptions have been suspended – refer to *When You May Not Be Allowed to Redeem Your Units* under *Redemptions* for more information.

You may have to pay your dealer a conversion fee of up to 2% of the value of your units. Refer to *Conversion Fee* under *Fees and Expenses* for more information.

Based, in part, on the administrative practice of the Canada Revenue Agency (referred to as the CRA), a conversion from one series of units to another series of units of the same Pool does not generally result in a disposition for tax purposes and, consequently, does not result in a capital gain or capital loss to a converting unitholder. However, any redemption of units to pay any applicable conversion fee will be considered a disposition for tax purposes and, if you hold the units outside of a registered plan, you may be required to pay tax on any capital gain you realize from the redemption. Refer to *Income Tax Considerations for Investors* for more information.

You can convert from Series O units of a Pool to Series A or Series F units of the same Pool if you are an eligible investor for such other series of units. You may convert to Series O units from Series A or Series F units of the same Pool, if you already have a Series O unit account agreement with us, as previously described.

If you no longer meet the requirements to hold Series O units, or if the amount of the investment you hold in Series O units is too small relative to the administrative costs of your participation in Series O units, we may, at our sole discretion and after giving you 30 days’ prior notice of our intention to do so, require that you redeem or convert your Series O units to Series A or Series F units of the same Pool. If you no longer meet the requirements to hold Series O units, within the 30-day notice period described above, you may also request that your Series O units be converted to Series A or Series F units of the same Pool, provided we consent to the conversion and you meet the minimum investment requirements for the other series of units. You may have to pay a conversion fee to your dealer.

## Redemptions

***Before proceeding with any redemption, it is important that you discuss the proposed redemption with your dealer as well as your tax advisor so that you are fully aware of all the implications of making the redemption.***

You may sell all or a portion of your units at any time, other than during a period of suspension of redemptions (refer to *When You May Not Be Allowed to Redeem Your Units* below), subject to any applicable minimum redemption amount and balance requirements. This is called a “redemption”.

With the exception of Series O units, a redemption for less than all of your units must be for units of at least \$100 in value, excluding any fees – except for redemptions under our Systematic Withdrawal Plan (referred to as a *SW Plan*), which must be for units of at least \$50 in value – and is subject to the minimum balance requirement per series (see below). Refer to *Systematic Withdrawal Plan* under *Optional Services* for more information.

For Series A and Series F units, if, as a result of a redemption, you fail to maintain the minimum balance requirement of \$500 for each series, we may ask you to increase your investment in the series to the minimum balance amount or to redeem your remaining investment in the series.

For Series O units, we reserve the right to fix a minimum balance amount at any time and, from time to time, as part of the criteria for approval. If, as a result of a redemption, the amount of the investment you hold in Series O units is too small relative to the administrative costs of your participation in Series O units, we may at our sole discretion, and after giving you 30 days’ prior notice of our intention to do so, require that you redeem or convert your Series O units to Series A or Series F units of the same Pool. You may have to pay a conversion fee to your dealer.

Investors who hold more than 10% of a Pool's net asset value are considered "large investors" and may be subject to additional redemption notification requirements to minimize the potential impact their trading activities may have on a Pool's other unitholders. Refer to *Large Investor Risk* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

We will transfer or mail the redemption proceeds to you or your dealer within two (2) business days of receiving a complete redemption request. If we have not received all of the documentation necessary to settle your redemption request within ten (10) business days, we are required under securities legislation to repurchase your units. If the redemption proceeds are less than the repurchase amount, we will pay the Pool the difference and seek reimbursement from you or your dealer, together with any banking cost charged to the Pool. Your dealer may be entitled to recover any losses from you. If the redemption proceeds are greater than the repurchase amount, the Pool will keep the difference.

A short-term trading fee may be payable. Refer to *Short-Term Trading Fee* under *Fees and Expenses* for more information.

A redemption of units is a disposition for tax purposes and may result in a capital gain or capital loss if units are held outside a registered plan. Refer to *Income Tax Considerations for Investors* for more information.

### **When You May Not be Allowed to Redeem Your Units**

As permitted by the Canadian securities regulatory authorities, we may suspend your right to redeem units in any of the following circumstances:

- if normal trading is suspended on a stock, options, or futures exchange within or outside Canada on which securities are listed or posted for trading, or on which specified derivatives are traded that represent more than 50% by value of, or by underlying market exposure to, the total assets of that Pool, not including the Pool's liabilities, and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Pool; or
- with the consent of the Canadian securities regulatory authorities.

During any period of suspension, no calculation of a Pool's net asset value per unit will be made, and the Pools will not be permitted to issue further units, or redeem, switch or convert any units previously issued. If your right to redeem units is suspended, and you do not withdraw your request for redemption of units, we will redeem your units at their series net asset value per unit determined after the suspension ends.

## **Optional Services**

This section tells you about the optional services we offer to investors.

### **Pre-Authorized Chequing Plan**

If you want to invest in any of the Pools on a regular basis, you can open a Pre-Authorized Chequing Plan (referred to as a *PAC Plan*) by completing an application that is available from your dealer. You must meet the minimum investment requirements for the series of units you are investing in before you are eligible to start the PAC Plan. Refer to *Minimum Investments* under *Purchases, Switches and Redemptions* for more information.

The PAC Plan works as follows:

- for Series A and Series F units, the regular minimum investment amount is \$50;
- for Series O units we reserve the right to fix a regular minimum investment amount;
- you can choose to invest weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually, or annually;
- we will automatically transfer money from your bank account and purchase units of the Pool(s) you choose;
- you can change the dollar amount or frequency, suspend, or cancel the PAC Plan at any time by contacting your dealer. We require 10 days' written notice before making the change. We may also accept and act upon instructions to suspend or cancel a PAC Plan placed by telephone from your dealer provided that you have signed a limited trading authorization form, or power of attorney in favour of your dealer, and that no change

is made to your current banking information. Nonetheless, there is no obligation on us to accept or act upon instructions given by telephone, including if there is doubt that the instructions are accurate, or if they are not understood. To change the dollar amount or frequency of the PAC Plan, we require written instructions;

- we may cancel your PAC Plan if your payment is returned because there are insufficient funds in your bank account; and
- we can change the terms of, or cancel, the PAC Plan at any time.

If you purchase units of a Pool through the PAC Plan, you will receive the current Fund Facts of each applicable series of units of the Pool from your dealer when you establish the PAC Plan; however, you will not receive the Fund Facts when you subsequently purchase the same series of units of the same Pool under the PAC Plan unless you requested the Fund Facts at the time you initially invested in the PAC Plan, or if you subsequently requested the Fund Facts by calling your dealer or by calling us toll-free at 1-888-888-3863. Fund Facts are also available on SEDAR at [sedar.com](http://sedar.com) and on our website at [renaissanceinvestments.ca](http://renaissanceinvestments.ca).

If you do not request to subsequently receive the Fund Facts under the PAC Plan, you will:

- not have a right of withdrawal under securities legislation for subsequent purchases of units of a Pool under the PAC Plan (other than in respect of your initial purchase); and
- continue to have a right of action if there is a misrepresentation in the Simplified Prospectus or any documents incorporated by reference into the Simplified Prospectus.

## **Systematic Withdrawal Plan**

If you want to make regular withdrawals from your non-registered investment in a Pool, you can open a Systematic Withdrawal Plan (referred to as a *SW Plan*) by completing an application that is available from your dealer.

The SW Plan works as follows:

- you can choose to withdraw weekly, bi-weekly, semi-monthly, monthly, bi-monthly, quarterly, semi-annually, or annually.
- the proceeds will be sent directly to your dealer, or we will deposit the money directly to your Canadian dollar bank account or send you a cheque;
- you can change the dollar amount or frequency, suspend or cancel the SW Plan at any time by contacting your dealer. We require ten (10) days' written notice before making the change. We may also accept and act upon such instructions to suspend or cancel the SW Plan placed by telephone from your dealer provided that you have signed a limited trading authorization form or a power of attorney in favour of your dealer, and that no change is made to your current banking information. Nonetheless, there is no obligation to accept or act upon instructions given by telephone, including if there is doubt that the instructions are accurate, or if they are not understood. To change the dollar amount or frequency of the SW Plan, we require written instructions; and
- we can change the terms of, or cancel, the SW Plan at any time.

### **Series A and Series F Units**

- you must hold a minimum balance amount of \$10,000 for Series A and Series F units of a Pool to set-up and maintain a SW Plan; and
- the minimum regular withdrawal amount is \$50;

### **Series O Units**

We reserve the right to fix a minimum balance amount at any time and, from time-to-time, as part of the criteria for approval.

It is important to remember that if you withdraw more than your investment is earning, you will reduce and eventually use up your original investment. A systematic withdrawal is considered a redemption. You are responsible for tracking and reporting any capital gains or capital losses you incur on redeemed units.

## Fees and Expenses

This section outlines the fees and expenses that you may have to pay if you invest in the Pools. Some of these fees and expenses you pay directly; others are payable by the Pools, which will indirectly reduce the value of your investment in a Pool.

The Pools are required to pay goods and services tax (referred to as *GST*) or harmonized sales tax (referred to as *HST*) on management fees, the fixed administration fee, and most operating expenses. The applicable GST/HST rate for each series of a Pool is calculated as a weighted average based on the value of units held by all unitholders residing in each Canadian province and territory.

For the fees and expenses payable directly by unitholders, the rate of GST or HST, as applicable, is determined based on the unitholder's province or territory of residence.

Although your prior approval will not be sought, you will be given at least sixty (60) days' written notice of the introduction, or any changes made to the basis of the calculation, of a fee or expense that could result in an increase in charges to a Pool or to its unitholders by a party at arm's length to the Pool.

Also, since no sales charges and no redemption fees apply to Series F and Series O units of the Pools, a meeting of unitholders of these series is not required to be held to approve the introduction, or any changes made to the basis of the calculation, of a fee or expense that could result in an increase in charges to those series or their unitholders. Any such changes will only be made if notice is mailed to the applicable unitholders at least sixty days prior to the valuation date on which the increase is to take effect.

When a Pool invests in an Underlying Fund, there are fees and expenses payable by the Underlying Fund in addition to the fees and expenses payable by the Pool. The fees and expenses of the Underlying Fund will have an impact on the Pool's MER because the Pool is required to take into account the fees and expenses it has incurred that are attributable to its investment in the Underlying Fund. However, a Pool will not pay any management fees or incentive fees on the portion of its assets that it invests in the Underlying Fund that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service. In addition, a Pool will not pay any sales charges or redemption fees with respect to the purchase or redemption by it of units of the Underlying Fund if we (or our affiliates) are also the Manager of the Underlying Fund, or that, to a reasonable person, would duplicate a fee payable by an investor in the Underlying Fund.

### Fees and Expenses Payable by the Pools

Type	Description
<b>Management Fees</b>	<p>Each Pool pays an annual management fee to us in respect of Series A and Series F units. Management fees, plus applicable GST/HST, are based on the net asset value of each Pool, and are calculated daily and paid monthly, and are paid to us for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. Advertising, promotional and office overhead expenses related to our activities, and trailing commissions are paid by us out of the management fee received from the Pool.</p> <p>Refer to <i>Fund Details</i> under <i>Specific Information about Each of the Mutual Funds Described in this Document</i> for the annual management fee rate for Series A and Series F units of each Pool.</p> <p>We may, in some cases, waive all or a portion of a Pool's management fee. The decision to waive management fees is at our discretion and may continue indefinitely or be terminated at any time without notice to unitholders.</p> <p>Refer to <i>Series O Management Fee</i> under <i>Fees and Expenses Payable Directly by You</i> for more information on the management fee payable for Series O units.</p>
<b>Management Fee Distributions</b>	<p>In some cases, we may charge a reduced management fee to a Pool in respect of certain investors. An amount equal to the difference between the management fee otherwise chargeable and the reduced fee payable will be distributed by the Pool to applicable investors. This is called a <i>Management Fee Distribution</i>. Management Fee Distributions are automatically reinvested in additional units of the same series of the applicable Pool.</p> <p>A Pool's payment of a Management Fee Distribution to a unitholder is fully negotiable between us, as agent for the Pools, and the unitholder's investment advisor and/or dealer, and is primarily based on</p>

Type	Description
	<p>the size of the investment in the Pool, the expected level of account activity, and the investor's total investments with us.</p> <p>Management Fee Distributions are calculated and accrued daily, and payments are made at least monthly to eligible investors.</p> <p>A Management Fee Distribution results in the distribution of additional income, capital gains and/or capital to an investor. Management Fee Distributions are paid first out of net income and net realized capital gains, and thereafter, out of capital. You should discuss Management Fee Distributions with your tax advisor so that you are fully aware of the tax implications for your particular situation. We may at any time change the amount of Management Fee Distributions, or eliminate their offering entirely.</p> <p>Refer also to <i>Income Tax Considerations for Investors</i> for more information.</p>
<b>Expenses</b>	<p>The Pools pay the Fund Costs (referred to as <i>Fund Costs</i>) and Transaction Costs (referred to as <i>Transaction Costs</i>), as defined below, allocated to each Series of units they offer.</p> <p><u>Fund Costs</u></p> <p>Fund Costs means:</p> <ul style="list-style-type: none"> <li>• any fees, costs and expenses associated with borrowing and interest;</li> <li>• any fees, costs and expenses associated with litigation or brought to pursue rights on behalf of the Pools;</li> <li>• all taxes (including but not limited to, GST/HST);</li> <li>• any new types of costs, expenses or fees, including those arising from new government or regulatory requirements relating to the operating expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of the Pools' inception;</li> <li>• any material changes to existing costs, expenses or fees, including arising from government or regulatory requirements relating to the operating expenses imposed on or after the Pools' inception; and</li> <li>• IRC fees and expenses (see below).</li> </ul> <p>As at the date of this Simplified Prospectus, each IRC member receives an annual retainer of \$60,000 (\$85,000 for the Chair) and \$1,500 for each IRC meeting that the member attends above six meetings per year, plus expenses for each meeting. The annual retainer is pro-rated based on an individual's length of tenure if he or she has not been in their position for the full period. IRC remuneration is allocated among CIBC's families of investment funds, including the Pools, managed by us (or an affiliate), in a manner that is considered by us to be fair and reasonable. The IRC compensation may change from time to time. Refer to the Pools' Annual Information Form for more information.</p> <p><u>Transaction Costs</u></p> <p>Transaction Costs include brokerage fees, spreads, commissions and all other securities transaction fees, as well as the costs of derivatives and foreign exchange transactions, as applicable. Transaction Costs are not considered to be operating expenses and are not part of the MER of a series of a Pool. We may, in some cases, absorb all or a portion of the Fund Costs paid by a Pool in respect of Series A, Series F, or Series O units. The decision to absorb some or all of the Fund Costs is at our discretion and may continue indefinitely or may be terminated at any time without notice to unitholders. Operating expenses payable by the Manager or by a Pool as part of the Fund Costs may include services provided by the Manager or its affiliates.</p> <p><u>Series A and Series F Units</u></p> <p><u>Fixed Administration Fee</u></p> <p>We pay the Pools' operating expenses that are not Fund Costs, as defined above, allocated to Series A and Series F units of the Pools in exchange for each of the Pools paying a fixed administration fee (referred to as <i>Fixed Administration Fee</i>) with respect to those series of units.</p>

Type	Description
	<p>Operating expenses, both common and series-specific, may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>operating and administrative costs (other than advertising and promotional expenses, which are the responsibility of the Manager);</li> <li>regulatory fees (including the portion of the regulatory fees paid by the Manager that are attributable to the Pools);</li> <li>audit and legal fees and expenses;</li> <li>trustee, safekeeping, custodial, and any agency fees; and</li> <li>investor servicing costs including unitholder reports, prospectuses, Fund Facts and other reports.</li> </ul> <p>Each of the Pools pays the Fixed Administration Fee to us in respect of Series A and Series F units, based on the net asset value of Series A and Series F units of each Pool. Refer to <i>Fund Details</i> under <i>Specific Information about Each of the Mutual Funds Described in this Document</i> for the annual Fixed Administration Fee rate for Series A and Series F units.</p> <p>Fixed Administration Fees, plus applicable GST/HST, are calculated and accrued daily and paid monthly, and may, in any particular period, be higher or lower than the expenses we actually incur in providing such services to the Pools. We may, in some cases, waive all or a portion of the Fixed Administration Fee in respect of Series A and/or Series F units. The decision to waive some or all of the Fixed Administration Fee in respect of any units is at our discretion and may continue indefinitely or may be terminated at any time without notice to unitholders.</p> <p>In addition to the Fixed Administration Fee, Series A and Series F units also pay Fund Costs and Transaction Costs allocated to their respective series – refer above.</p> <p><b><u>Series O Units</u></b></p> <p>The Pools do not pay a Fixed Administration Fee in respect of Series O units. We pay each Pool's operating expenses that are not Fund Costs allocated to Series O units of each Pool.</p>

## Fees and Expenses Payable Directly by You

Type	Description
<b>Series O Management Fee</b>	The management fee for Series O units is negotiated with and paid directly to us, or as directed by, unitholders or dealers and discretionary managers on behalf of unitholders, and will not exceed the annual management fee rate for Series F units of each Pool. Management fees paid directly by unitholders are generally not deductible for tax purposes.
<b>Sales Charges</b>	<p>When you purchase Series A units of a Pool, you may pay a <b>front-end load</b> sales charge of up to 5% of the purchase price, which is negotiated between you and your dealer. We deduct the sales charge that you owe your dealer from the amount you invest and remit it to your dealer as a sales commission.</p> <p>There is no sales charge payable on any other series of units of the Pools. For Series F units, you pay a fee directly to your dealer under its "fee-for-service" or "wrap accounts" program.</p> <p>You do not pay a deferred sales charge when you redeem any series of units of the Pools.</p>
<b>Switch Fee</b>	You may have to pay a switch fee of up to 2% of the value of your units to your dealer when you switch from a series of units of a Pool to a class or series of units of another CAMI Fund or, if permitted, to another mutual fund managed by one of our affiliates. You negotiate the fee with your dealer, and we deduct the fee from the value of the units you switch and remit it to your dealer. Refer to <i>Switches</i> under <i>Purchases, Switches and Redemptions</i> for more information. A short-term trading fee may also be payable (see below).

Type	Description
<b>Conversion Fee</b>	You may have to pay a conversion fee of up to 2% of the value of your units to your dealer when you convert from a series of units of a Pool to another series of units of the same Pool. You negotiate the fee with your dealer. We deduct the fee from the value of the units you convert and remit it to your dealer. Refer to <i>Conversions</i> under <i>Purchases, Switches and Redemptions</i> for more information.
<b>Short-Term Trading Fee</b>	<p>If you redeem or switch units of a Pool in the 30-day period following its purchase, we may charge you a short-term trading fee of up to 2% of the value of the units.</p> <p>Short-term trading fees are paid to the Pool and are in addition to any sales charge or switch fee that may be payable by you. At our discretion, the fee is deducted from the amount you redeem or switch. It is retained by the Pool and may be passed on to its Underlying Funds. The short-term trading fee does <u>not</u> apply:</p> <ul style="list-style-type: none"> <li>to units you receive from reinvested distributions;</li> <li>to units you receive from Management Fee Distributions; or</li> <li>at the time of conversion, to units you are converting to another series of units of the same Pool.</li> </ul>
<b>Insufficient Funds Fee</b>	If you pay for your units by cheque or an electronic funds transfer, and there are insufficient funds in your bank account, we will cancel your order and redeem the units; a \$25.00 fee will apply for each occurrence. If we redeem the units for more than the value for which they were issued, the difference will go to the Pool. If we redeem the units for less than the value for which they were issued, we will pay the difference and deduct this amount, plus the cost of doing so, from your dealer. Your dealer may require you to reimburse the amount paid if your dealer suffers a loss as a result.

We may waive any or all of the above fees at our discretion.

## Impact of Sales Charges

The table below shows the sales charge fee you would pay (if applicable) if you made an investment of \$1,000 in Series A units of a Pool, held that investment for one, three, five, or ten years, and redeemed the entire investment immediately before the end of that period. Note: this example assumes the maximum possible sales charge of 5% is applied, although you may negotiate a lower sales charge with your dealer.

Front-end Load	At time of Purchase (\$)	1 Year	3 Years	5 Years	10 Years
Series A units	\$50.00	N/A	N/A	N/A	N/A

There is no sales charge payable on Series F and Series O units of the Pools.

## Dealer Compensation

You may purchase units of the Pools through your dealer.

CIBC World Markets Inc., CIBC World Markets Corp., and CIBC Investor Services Inc., which are wholly-owned subsidiaries of CIBC and our affiliates, are some of the dealers through which units of the Pools may be purchased. Your dealer is retained by you and is not our or the Pools' agent.

## Sales Commissions

For Series A units, you and your dealer decide on the percentage of sales commission you will be charged when you purchase units of a Pool. The percentage ranges from 0% to 5%. We will deduct this amount from the amount you invest and remit it to your dealer as a sales commission.

No sales commissions are paid to your dealer when you purchase Series F or Series O units of the Pools.

Refer to *Sales Charges* under *Fees and Expenses* for more information.

## Trailing Commissions

When you purchase Series A units of the Pools, we pay your dealer an annual trailing commission based upon a percentage of the average daily value of Series A units of each Pool held by your dealer's clients. The maximum annual trailing commission payable for Series A units is 0.50% and is paid either monthly or quarterly, at the election of the dealer.

We may also pay a trailing commission to a discount broker for units you purchase through your discount brokerage account. We may change or cancel the terms and/or payment frequency of the trailing commissions at any time.

We do not pay your dealer a trailing commission if you buy Series F and Series O units of the Pools.

## Other Forms of Dealer Compensation

We may provide a broad range of marketing and support programs (including brochures, reports, and market commentaries) to assist dealers in business promotional activities relating to the sale of the Pools, all in accordance with securities legislation. We may also participate in co-operative marketing and advertising programs with dealers to promote the Pools, and may use part of the management fee to pay up to 50% of the cost of these marketing and advertising programs.

We may also pay up to 10% of the costs of some dealers to hold seminars or conferences for their representatives, the primary purpose being the provision of educational information about, among other things, the mutual fund industry, mutual funds and financial planning. The dealer makes all decisions about where and when the conference is held and who can attend.

## Dealer Compensation from Management Fees

Since the Pools are new, the total cash compensation (sales commissions, trailing commissions and other forms of dealer compensation, such as marketing support payments) paid to dealers who distributed units of the Pools cannot be reported.

## Income Tax Considerations for Investors

This section is a summary of how Canadian federal income taxes can affect your investment in a Pool. It assumes that you are an individual (other than a trust) and, for the purposes of the Income Tax Act (Canada) (the *Tax Act*) and at all relevant times, are resident in Canada, are not affiliated with the Pools, deal with the Pools at arm's length, and hold your units as capital property or in a registered plan. More detailed tax information is available in the Pools' Annual Information Form.

In general, each Pool will pay enough of its net income and net realized taxable capital gains (calculated in Canadian dollars) each year to unitholders so it will not have to pay ordinary income tax, after taking into account applicable losses of the Pool and the capital gains refund, if any, the Pool is entitled to for the purposes of the *Tax Act*.

***This summary is not a complete list of all tax considerations and is not intended to constitute legal or tax advice to you. Everyone's tax situation is different. You should consult your tax advisor about your particular situation.***

## How Your Investment Can Make Money

Your investment in units of a Pool can earn income from:

- any earnings a Pool makes or realizes on its investments which are allocated to you in the form of distributions; and
- any capital gains that you realize when you switch or redeem your units of the Pool at a profit.

The tax you pay on your investment depends on whether the units are held in a registered plan or in a non-registered account.



## Units Held in a Registered Plan

If you hold units of a Pool in a registered plan, such as a registered retirement savings plan (referred to as a *RRSP*), registered retirement income fund (referred to as a *RRIF*), registered education savings plan (referred to as a *RESP*), registered disability savings plan (referred to as a *RDSP*), deferred profit sharing plan (referred to as a *DPSP*), or tax-free savings account (referred to as a *TFSA*), you will not pay tax on any distributions paid or payable to the registered plan by a Pool in a particular year. In addition, you will not pay tax on any capital gains realized by the registered plan from redeeming or otherwise disposing of these units, including upon a switch of units to another Pool managed by us or our affiliates, while the proceeds of disposition remain in the plan. However, most withdrawals from such registered plans (other than a withdrawal from a TFSA and certain permitted withdrawals from RESPs and RDSPs) are generally taxable. You should consult your tax advisor regarding the impact of TFSA withdrawals on your TFSA contribution room.

You will be subject to adverse tax consequences if units of a Pool are a “prohibited investment” within the meaning of the Tax Act for an RRSP or RRIF under which you are the annuitant, for a TFSA or RDSP of which you are the holder, or for a RESP of which you are the subscriber.

## Units Held Outside of a Registered Plan

Distributions, including Management Fee Distributions, are generally taxable other than those that consist of a return of capital. In general, if you hold units of a Pool outside of a registered plan, you must take into account the following in calculating your income for each taxation year:

- any net income and the taxable portion of the net realized capital gains paid or payable to you by a Pool in the year, whether you receive such amounts in cash or you reinvest them in units of the Pool; and
- the taxable portion of any capital gains you realize from redeeming or switching your units.

Although each Pool indicates the intended character and frequency of distributions in this document, the character of the distributions for Canadian income tax purposes will not be finalized until the end of each taxation year. Distributions made to unitholders in the course of a Pool’s taxation year may be comprised of dividends, ordinary income, or net realized capital gains, or may constitute a return of capital, depending on the Pool’s investment activities. Net taxable capital gains realized by a Pool and distributed to you will preserve their character as taxable capital gains.

Distributions that are designated as “taxable dividends” from “taxable Canadian corporations” (each as defined in the Tax Act) are eligible for the dividend tax credit. An enhanced dividend gross-up and tax credit mechanism is available for dividends designated as “eligible dividends” within the meaning of the Tax Act and received from taxable Canadian corporations. To the extent permitted under the Tax Act and the CRA’s administrative practice, a Pool will designate any eligible dividends received by such Pool as eligible dividends to the extent such eligible dividends are included in distributions to unitholders.

Distributions of interest and other ordinary income, including foreign income, are fully taxable. Where a Pool invests in derivatives, other than certain derivatives used for certain hedging purposes, any gains from such assets will generally be treated as income, rather than as capital gains, and distributions of these gains will be ordinary income to you. The Pools may invest in Underlying Funds that, in turn, invest in derivatives. These Underlying Funds will generally treat gains and losses arising in connection with derivatives, other than certain derivatives used for certain hedging purposes, on income account rather than on capital account.

You do not have to pay tax on distributions that are returns of capital (generally, distributions in excess of a Pool’s net income and net realized capital gains), but these distributions will reduce the adjusted cost base (referred to as the *ACB*) of your units of the Pool, and may therefore result in you realizing a greater taxable gain (or smaller capital loss) on a future disposition of your units. Further, if the *ACB* of a unit of a Pool held by you would otherwise be less than zero as a result of you receiving a distribution on your units that is a return of capital, the negative amount will be deemed to be a capital gain realized by you from the disposition of the units and the *ACB* of the units will be increased by the amount of the deemed capital gain to zero. The non-taxable portion of a Pool’s net realized capital gains that is distributed to you will not be included in your income nor will it reduce the *ACB* of your units.

You are responsible for tracking and reporting any income you earn or capital gain or capital loss that you realize. Generally, if you dispose of your units of a Pool, including on a redemption of units or a switch of units of one Pool for units of another Pool, you will realize a capital gain (or capital loss), to the extent that your proceeds of

disposition, net of any disposition costs, exceed (or are exceeded by) the ACB of the units at that time. You will be required to include one-half of any such capital gain (referred to as a *taxable capital gain*) in your income, and deduct one-half of any such capital loss (referred to as an *allowable capital loss*) against your taxable capital gains in the year. Allowable capital losses in excess of taxable capital gains for the year may generally be carried back up to three years or forward indefinitely and deducted against taxable capital gains in those other years to the extent and under the circumstances provided for in the Tax Act. Refer to *Calculating the ACB of Your Investment* (below) for more details.

Based, in part, on the administrative practice of the CRA, a conversion from one series of units of a Pool to another series of units of the same Pool does not generally result in a disposition for tax purposes and, consequently, does not result in a capital gain or capital loss to a converting unitholder. However, any redemption of units to pay any applicable conversion fee will be considered a disposition for tax purposes and you may be required to pay tax on any capital gain you realize from the redemption.

In certain situations, if you dispose of units of a Pool and would otherwise realize a capital loss, the loss will be denied. This may occur if you or your spouse or a person with whom you are affiliated (including a corporation you control) has acquired units of the same Pool within 30 days before or after the original unitholder disposed of the units, which are considered to be “substituted property”. In these circumstances, the capital loss may be deemed to be a “superficial loss” and denied. The amount of the denied capital loss will be added to the ACB of the units which are substituted property.

Management fees paid directly to the Manager by an investor are generally not deductible for tax purposes. You should consult your own tax advisor with respect to the extent to which fees paid by you in connection with an investment in units of a Pool may be deductible.

## Buying Units Close to a Distribution Date

At the time you acquire units of a Pool, the net asset value per unit of the Pool will reflect any income and gains that have accrued or been realized but have not been made payable at the time the units are acquired. In particular, this may be the case when the units are acquired late in the year, or on or before the date on which a distribution is paid. If you buy units of a Pool just before it makes a distribution, you will be taxed on the entire distribution even though the Pool may have earned the income or realized the gain giving rise to the distribution before you owned units of the Pool. That means you may have to pay tax on your proportionate share of the net income or net realized capital gains earned by the Pool before you owned units of the Pool.

## Portfolio Turnover Rates

A Pool's portfolio turnover rate indicates how actively its Portfolio Advisor managed the portfolio investments. A portfolio turnover rate of 100% is equivalent to a Pool buying and selling all of the securities in its portfolio one time in the course of a year. The higher a Pool's portfolio turnover rate in a year, the greater the trading costs payable by the Pool, and the greater the chance that you will receive a taxable distribution from the Pool in that year. A higher portfolio turnover rate should not be considered as indicative of a Pool's performance.

## Tax Information

Each year, you will be advised of the amount and type of any distribution that each Pool pays to you on the units that you hold, as well as the information necessary to complete your tax return.

## Calculating the ACB of Your Investment

Your ACB must be determined separately for each series of units you own of each Pool. The total ACB of your units of a series of a Pool is calculated as follows:

### Your initial investment in such units:

- + the cost of any additional investments
- + reinvested distributions (including returns of capital and Management Fee Distributions)
- the capital returned (if any) in any distribution
- the ACB of units you previously switched, converted or redeemed

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= ACB

The ACB of a unit is simply the ACB of your total investment in units of a series of a Pool divided by the total number of such units of the Pool held by you.

**You are responsible for keeping a record of the ACB of your investment for the purpose of calculating any capital gain or capital loss you may realize when you redeem, or otherwise dispose of, your units. You should keep track of the original cost of your units for each Pool, including new units you receive when distributions are reinvested.**

## Enhanced Tax Information Reporting

Each of the Pools has due diligence and reporting obligations under the Foreign Account Tax Compliance Act (as implemented in Canada by the Canada-United States Enhanced Tax Information Exchange Agreement and Part XVIII of the Tax Act, collectively “FATCA”) and the OECD’s Common Reporting Standard (as implemented in Canada by Part XIX of the Tax Act, “CRS”). Generally, unitholders (or in the case of certain unitholders that are entities, the “controlling persons” thereof) will be required by law to provide their advisor or dealer with information related to their citizenship or tax residence and, if applicable, their foreign tax identification number. If a unitholder (or, if applicable, any of its controlling persons) does not provide the information or, for FATCA purposes, is identified as a U.S. resident or U.S. citizen (including a U.S. citizen living in Canada) or, for CRS purposes, is identified as a tax resident of a country other than Canada or the U.S., information about the unitholder (or, if applicable, its controlling persons) and his, her or its investment in the Pool(s) will generally be reported to the CRA unless the units are held within a registered plan. The CRA will provide that information to, in the case of FATCA, the U.S. Internal Revenue Service, and, in the case of CRS, the relevant tax authority of any country that is a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information, or that has otherwise agreed to a bilateral information exchange with Canada under CRS.

## What Are Your Legal Rights?

Securities legislation in some provinces and territories gives unitholders the right to withdraw from an agreement to buy mutual funds within two business days of receiving the Simplified Prospectus or Fund Facts, or to cancel their purchase within 48 hours of receiving confirmation of their order. For the Pre-Authorized Chequing Plan, if you have not requested to receive subsequent Fund Facts, you will have the right to withdraw from an agreement to purchase units of a Pool only in respect of your first purchase. Refer to *Pre-Authorized Chequing Plan* under *Optional Services* for more information.

Securities legislation in some provinces and territories also allows unitholders to cancel an agreement to buy mutual fund units and get their money back, or to make a claim for damages, if the Simplified Prospectus, Annual Information Form, Fund Facts, or financial statements misrepresent any facts about the Pools. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory, or consult your lawyer.

## Additional Information

### Independent Review Committee

The Manager has established the Independent Review Committee (referred to as the *IRC*) as required by National Instrument 81-107 – *Independent Review Committee for Investment Funds* (referred to as *NI 81-107*). The IRC Charter sets out its mandate, responsibilities and functions, and is posted on our website at [renaissanceinvestments.ca](http://renaissanceinvestments.ca) under *Reporting & Governance*. Under the Charter, the IRC reviews conflict of interest matters referred to it by the Manager and provides to the Manager a recommendation or, where required under NI 81-107 or elsewhere in securities legislation, an approval relating to these conflict of interest matters. Approvals may also be given in the form of standing instructions. The IRC and the Manager may agree that the IRC will perform additional functions. The Charter provides that the IRC has no obligation to identify conflict of interest matters that the Manager should bring before it.

Although your prior approval will not be sought, you will be given at least 60 days’ written notice before any changes are made to the Pools’ auditor, or before any reorganization with, or transfers of assets to, another mutual fund managed by us or our affiliate are made by a Pool, provided the IRC has approved such changes and,

in the latter case, provided the reorganizations or transfers also comply with certain criteria described in the applicable securities legislation.

For more information on the IRC, including the names of the IRC members, refer to *Independent Review Committee* under *Governance* in the Pools' Annual Information Form.

## Transactions with Related Parties

In accordance with the requirements of NI 81-102 and NI 81-107, exemptive relief orders granted by the Canadian securities regulatory authorities, and/or the approval or a recommendation of the IRC, as applicable, the Pools may enter into one or more of the following transactions:

- invest in or hold equity securities of CIBC or issuers related to a portfolio sub-advisor;
- invest in or hold non-exchange-traded debt securities of CIBC or an issuer related to CIBC, with terms-to-maturity of 365 days or more, issued in a primary offering and in the secondary market;
- make an investment in the securities of an issuer where for which CIBC World Markets Inc., CIBC World Markets Corp., or any affiliate of CIBC (referred to as a *Related Dealer* or the *Related Dealers*) acts as an underwriter during the offering of the securities or at any time during the 60-day period following the completion of the offering of such securities (in the case of a "private placement" offering, in accordance with the Private Placement Relief Order described below and the policies and procedures relating to such investment);
- purchase equity and debt securities from or sell them to a Related Dealer, where it is acting as principal;
- undertake currency and currency derivative transactions where a related party is the counterparty;
- purchase securities from or sell securities to another investment fund or a managed account managed by the Manager or an affiliate of the Manager (referred to as *inter-fund trades* or *cross-trades*); and
- engage in in-specie transfers by receiving portfolio securities from, or delivering portfolio securities to, a managed account or another investment fund managed by the Manager or an affiliate, in respect of a purchase or redemption of units of the Pools, subject to certain conditions.

The Pools have also obtained an exemptive relief order from the Canadian securities regulatory authorities to purchase equity securities of a reporting issuer during the period of distribution of the issuer's securities pursuant to a "private placement" offering (an offering under exemptions from the prospectus requirements) and for the 60-day period following the completion of the offering, notwithstanding that a Related Dealer is acting or has acted as underwriter in connection with the offering of the same class of such securities (referred to as the *Private Placement Relief Order*).

The IRC has issued standing instructions in respect of each of the transactions noted above (referred to as *Related Party Transactions*). At least annually, the IRC reviews the Related Party Transactions for which they have provided standing instructions.

When the Manager refers or reports a matter to the IRC, the IRC is required to advise the Canadian securities regulatory authorities if it determines that an investment decision was not made in accordance with a condition imposed by securities legislation or the IRC in any Related Party Transaction requiring its approval.

## Data Produced by a Third Party

Information regarding the Pools may be provided to third-party service providers who use this data in order to produce their own information regarding the Pools. Such third-party service provider information may be made available to the public. CAMI and its affiliates bear no responsibility for the use or accuracy of such data by third-party service providers.

## Specific Information about Each of the Mutual Funds Described in this Document

Under *Fund Specific Information* there is a profile of each Pool, which includes the following information:

## Fund Details

The tables provide a brief overview of each Pool. We indicate the type of mutual fund using the standardized investment fund categories as defined by the Canadian Investment Funds Standards Committee (referred to as CIFSC). The fund type may change from time to time based on changes made to the CIFSC categories. For more information, visit the CIFSC website at [cifsc.org](http://cifsc.org).

We also indicate the name of the Portfolio Advisor; if the Pool is a qualified investment for registered plans; the series of units offered; the date on which each series of units was first started; and the annual rate of the management fee and the fixed administration fee for each series of units.

## What Does the Fund Invest In?

This section outlines the **investment objectives** and the principal **investment strategies** that the Portfolio Advisor uses to achieve the Pool's investment objectives.

We cannot change a Pool's fundamental investment objectives unless we obtain approval from a majority of unitholders who vote at a meeting. Investment strategies may be changed, from time to time, without notice to, or consent by, unitholders.

Each Pool follows the standard investment restrictions and practices mandated by the Canadian securities regulatory authorities, except in connection with any exemptions the Pools may have received. We describe these exemptions in the Pools' Annual Information Form.

Each Pool may hold all or a portion of its assets in cash, cash equivalents, or fixed income securities issued or guaranteed by the Canadian or U.S. governments, a government agency, or a company in anticipation of, or in response to, a market downturn, for defensive purposes, for cash management, or for the purpose of a merger or other transaction. As a result, a Pool may not be fully invested in accordance with its investment objectives at all times.

## Use of Derivatives

The Pools and the Underlying Funds may use derivatives. A Pool or Underlying Fund can only use derivatives to the full extent permitted by the Canadian securities regulatory authorities and only if the use of derivatives is consistent with the Pool's or Underlying Fund's investment objectives.

A derivative is a financial instrument whose value is derived from the value of an underlying variable, usually in the form of a security or asset. There are many different kinds of derivatives, but derivatives usually take the form of an agreement between two parties to buy or sell an asset, such as a basket of stocks or a bond, at a future date for an agreed upon price. The most common kinds of derivatives are futures contracts, forward contracts, options, and swaps. A Pool or Underlying Fund can use derivatives for either hedging or effective exposure (non-hedging) purposes. When a Pool or Underlying Fund uses derivatives for non-hedging purposes, it is required by securities legislation to hold enough cash, cash equivalents, or other securities to fully cover its derivative positions. Options used for non-hedging purposes must represent no more than 10% of the Pool's or Underlying Fund's net asset value. Derivatives may also be used to, among other things, provide exposure to securities, indices, or currencies without investing in them directly, or to manage risk.

Refer also to *Derivatives Risk* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

## Securities Lending, Repurchase, and Reverse Repurchase Transactions

A securities lending transaction is an agreement whereby a Pool or Underlying Fund lends securities through an authorized agent in exchange for a fee and a form of acceptable collateral. Under a repurchase transaction, a Pool or Underlying Fund agrees to sell securities for cash while, at the same time, assuming an obligation to repurchase the same securities for cash at a later date (and usually at a lower price). Under a reverse repurchase transaction, a Pool or Underlying Fund buys securities for cash while, at the same time, agreeing to resell the same securities for cash at a later date (and usually at a higher price).

To increase returns, a Pool or Underlying Fund may enter into securities lending, repurchase, and reverse repurchase transactions consistent with its investment objectives and as permitted by the Canadian securities regulatory authorities. The Pool or Underlying Fund must receive acceptable collateral worth at least 102% of:

- the market value of the security loaned for a securities lending transaction;
- the market value of the security sold for a repurchase transaction; or
- the cash loaned for a reverse repurchase transaction.

Repurchase transactions and securities lending transactions are limited to 50% of a Pool's net asset value, immediately after the Pool or Underlying Fund enters into such a transaction, not including collateral or cash held. Refer to *Securities Lending, Repurchase, and Reverse Repurchase Transactions Risk* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

### **Short Selling**

The Pools and Underlying Funds may engage in short selling transactions. In a short selling strategy, the Portfolio Advisor or portfolio sub-advisor(s) identifies securities that they expect to fall in value. The Pool or Underlying Fund then borrows securities from a custodian or dealer (referred to as the *Borrowing Agent*) and sells them in the open market. The Pool or Underlying Fund must repurchase the securities at a later date in order to return them to the Borrowing Agent. In the interim, the proceeds from the short sale transaction are deposited with the Borrowing Agent and the Pool or Underlying Fund pays interest to the Borrowing Agent on the borrowed securities. If the Pool or Underlying Fund repurchases the securities later at a lower price than the price at which it sold the borrowed securities on the open market, a profit will result; however, if the price of the borrowed securities rises, a loss will result. The aggregate market value of all securities sold short by the Pool or Underlying Fund will not exceed 20% of its total net asset value on a daily marked-to-market basis.

### **What are the Risks of Investing in the Fund?**

Understanding risk and your comfort with risk is an important part of investing. This section highlights the specific risks of each Pool. General information about the risks of investing and descriptions of each specific risk are provided under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?*

### **Investment Risk Classification Methodology**

We assign an investment risk level to each Pool to help you decide whether it is appropriate for you. We will review each Pool's risk level at least annually, or whenever we determine the investment risk level is no longer appropriate; for example, as a result of a fundamental change to a Pool.

Each Pool's risk level is determined in accordance with a standardized risk classification methodology, which is based on the Pool's historical volatility as measured by the 10-year standard deviation of its returns, i.e. the dispersion in a Pool's returns from its mean over a 10-year period.

We will calculate each Pool's standard deviation using the monthly returns of the series of the Pool that first became available to the public and apply the same standard deviation to the Pool's other series.

Since the Pools are new and have no performance history, we have calculated the investment risk level by imputing the 10-year standard deviation of the returns of a composite of several reference indices that is expected to reasonably approximate to each Pool's standard deviation.

The range of standard deviations within which a Pool's standard deviation can fall, and the corresponding investment risk level which is assigned, are shown in the table below:

<b>Standard Deviation Range (%)</b>	<b>Risk Level</b>
0 to less than 6	Low
6 to less than 11	Low to Medium
11 to less than 16	Medium
16 to less than 20	Medium to High
20 or greater	High

A Pool with a “low” standard deviation is considered as less risky; conversely, a Pool with “high” standard deviation is considered as more risky. It is important to note that a Pool’s historical volatility may not be indicative of its future volatility.

If we believe that the results produced using this methodology do not appropriately reflect a Pool’s risk, we may assign a higher risk level to the Pool by taking into account other qualitative factors, including, but not limited to, the type of investments made by the Pool and the liquidity of those investments.

The risk rating of a Pool does not necessarily correspond to an investor’s risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding an individual investor’s personal circumstances. When looking at the risk level of a Pool, you should also consider how it would work with your other investment holdings.

A more detailed description of the risk classification methodology we use to identify the investment risk level of the Pools is available on request, at no cost, by calling us at 1-888-888-3863, or by writing to us at CIBC, 18 York Street, Suite 1300, Toronto, Ontario, M5J 2T8.

## Who Should Invest in the Fund?

This section outlines the key investor characteristics for which a Pool may be suitable. As an investor, the most important part of your financial plan is understanding your investment:

- **objectives:** what you are expecting from your investments — capital preservation, income, growth, or a combination;
- **time horizon:** how long you are planning to invest; and
- **risk tolerance:** how much volatility you are willing to accept in your investment.

## Distribution Policy

In this section, each Pool indicates its intention with respect to the character, timing and frequency of distributions.

The Pools may make distributions monthly and/or annually, but we may, without notice, elect to declare distributions more or less frequently if this is deemed to be in the best interests of a Pool and its unitholders. There is no guarantee of the amount of distributions that will be paid for any series of units and the Distribution Policy may be changed at any time.

The character of a Pool’s distributions for Canadian income tax purposes will not be finalized until the end of each Pool’s taxation year. Depending on the Pool’s investment activities throughout the course of its taxation year, the character of distributions may differ from that originally intended and outlined in the Pool’s Distribution Policy.

If you hold units of a Pool in a registered plan, your dealer can advise us that your distributions should be paid in cash to the account you hold with your dealer, which is treated as a distribution from your registered plan to you. There are negative tax consequences associated with paying cash distributions out of a registered plan.

If you hold units of a Pool in a non-registered plan, you can choose to have distributions paid in cash to the account you hold with your dealer or paid directly into your bank account at any financial institution in Canada.

**All distributions will be reinvested in additional units of the same series of the Pool unless you instruct your dealer otherwise.**

The amount and frequency of distributions is not guaranteed and may change from time to time without notice to unitholders.

Refer to *Income Tax Considerations for Investors* for more information on the tax treatment to unitholders of distributions.

Refer also to *Management Fee Distributions* under *Fees and Expenses*.

## Fund Expenses Indirectly Borne By Investors

Once the Pools complete a full financial year, this section will provide illustrative information to help you compare the cost of investing in each Pool to other mutual funds over a 10-year period. The table will show the amount of the Pool's fees and expenses that would apply to each \$1,000 investment that you make, assuming that the Pool's annual performance is a constant 5% per year, and that its MER remains the same for the 10-year period as it was in its last completed financial year ended August 31. The actual performance of each Pool and its expenses may vary.

A Pool's MER reflects all its expenses, including applicable taxes; however, it does not include transaction costs payable by each Pool (as defined under *Transaction Costs* under *Expenses* under *Fees and Expenses Payable by the Pools*), and fees paid directly by investors. Refer to *Fees and Expenses* for more information on the costs of investing in a Pool.



# CIBC Conservative Fixed Income Pool

## Fund Details

Fund type	Portfolio advisor	Qualified investment for registered plans	
Canadian Fixed Income	CIBC Asset Management Inc., Toronto, Canada	Yes	
Series of units offered	Date started	Annual management fee	Fixed administration fee
Series A units	October 21, 2019	0.80%	0.05%
Series F units	October 21, 2019	0.30%	0.05%
Series O units	October 21, 2019	Negotiated with and paid by, or as directed by, unitholders or dealers and discretionary managers on behalf of unitholders.	No fixed administration fee is charged.

## What Does the Fund Invest In?

### Investment objectives

The Pool will focus on generating regular income by investing primarily in units of other mutual funds that invest in fixed income securities.

We will not change the Pool's fundamental investment objectives without the consent of unitholders by a majority of votes cast at a meeting of unitholders.

### Investment strategies

To achieve its investment objectives, the Pool:

- will, under normal market conditions, employ a disciplined long-term strategic asset allocation approach as the principal investment strategy;
- may invest up to 100% of its assets in Underlying Funds, including mutual funds and exchange-traded funds managed by us or our affiliates, and up to 10% of its net asset value may be invested in units of Underlying Funds which are alternative funds;
- may tactically allocate to adjust its asset mix over the short- to medium-term based on changes in the market outlook and the Underlying Funds' ability to meet the Pool's stated investment objectives;
- selects Underlying Funds that primarily invest in fixed income securities to construct a portfolio diversified by sector, geography, credit quality, duration, currency and other relevant factors;
- will indirectly have exposure to Canadian, U.S. and/or international securities through its Underlying Funds;
- may change its Underlying Funds from time to time; and
- may have exposure through its Underlying Funds to fixed income securities rated below investment grade, with the allocation to these issues typically ranging between 5% and 15%; and
- may hold a portion of its assets in cash, money market securities, or money market mutual funds while seeking investment opportunities or for defensive purposes.

The Pool and the Underlying Funds may engage in derivatives transactions for hedging and non-hedging purposes; in securities lending, repurchase and reverse purchase transactions; and in short selling transactions. These transactions may be used in conjunction with other investment strategies in a manner considered appropriate to the Pool's investment objectives. While the Pool, or an Underlying Fund, may at its discretion, engage in derivatives, securities lending, repurchase and reverse repurchase transactions, and short selling transactions, it is not required to do so as an investment strategy. Refer to *Use of Derivatives, Securities Lending, Repurchase, and Reverse Repurchase Transactions*, and to *Short Selling* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

We can change the investment strategies, from time to time, without notice to, or consent of, unitholders.

## What are the Risks of Investing in the Fund?

In addition to the direct risks of investing in the Pool, the Pool has indirect exposure to the risks of the Underlying Funds in proportion to its investment in those Underlying Funds. The direct and indirect risks that the Pool may be exposed to are listed below. Refer to *Types of Investment Risks* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

- asset allocation risk
- asset-backed and mortgage-backed securities risk
- capital depreciation risk
- concentration risk
- cybersecurity risk
- deflation risk
- derivatives risk
- emerging markets risk
- exchange-traded fund risk
- fixed income risk
- floating rate loan risk
- foreign currency risk
- foreign market risk
- general market risk
- large investor risk
- liquidity risk
- lower-rated bond risk
- prepayment risk
- regulatory risk
- securities lending, repurchase, and reverse repurchase transactions risk
- series risk
- short selling risk
- sovereign debt risk

We have classified this Pool's risk level to be **low**. Refer to *Investment Risk Classification Methodology* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information about the methodology we used to classify this Pool's risk level.

Since this Pool is new and has less than 10 years of performance history, the investment risk level has been calculated by reference to the returns of the following indices in the proportions noted: 40% FTSE Canada Short Term Overall Bond Index, 10% FTSE Canada Floating Rate Note Index\*, 26% FTSE Canada Universe Bond Index, 5% FTSE World Government Bond Index (Hedged CAD), 4% FTSE Canada All Corporate Bond Index, 2% Bank of America Merrill Lynch BB-B US Cash Pay High Yield Index (Hedged CAD), 3% Credit Suisse Leveraged Loan Index (USD), 2% Barclays U.S. Aggregate 1-5 Year Index (USD), 3% JP Morgan Corporate Emerging Markets Bond Index Broad Diversified, 3% JP Morgan Government Bond Index – Emerging Markets Global Core Total Return Index, and 2% Deutsche Bank Currency Returns Index.

\* Prior to July 2011, FTSE Canada 91 Day T-Bill Index.

FTSE Canada Short Term Overall Bond Index is intended to represent the Canadian short-term bond market. It contains bonds with remaining effective terms greater than or equal to one year and less than or equal to five years.

FTSE Canada Floating Rate Note Index is designed to reflect the performance of domestic Canadian Government and Corporate Rate Note securities.

FTSE Canada 91 Day T-Bill Index measures the returns attributable to 91-day Treasury Bills.

FTSE Canada Universe Bond Index is comprised of marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds from over 20 countries.

FTSE Canada All Corporate Bond Index is divided into sub-sectors based on major industry groups: financial, communication, industrial, energy, infrastructure, real estate, and securitization. The Corporate sector is also divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector, and a BBB sector.

Bank of America Merrill Lynch BB-B U.S. Cash Pay High Yield Index is a subset of the Bank of America Merrill Lynch U.S. Cash Pay High Yield Index including all securities rated BB1 through B3, inclusive. It tracks the performance of U.S. dollar-denominated below investment grade corporate debt, currently in a coupon paying period, that is publicly issued in the U.S. domestic market.

Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market.

Barclays U.S. Aggregate 1-5 Year Index is a subset of the Barclays U.S. Aggregate Index. The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage and asset-backed issues, rated investment grade or higher, and with maturities greater than or equal to one year and less than five years.

JP Morgan Corporate Emerging Markets Bond Index Broad Diversified is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

JP Morgan Government Bond Index -Emerging Markets Global Core Total Return Index is designed to track the performance of bonds issued by emerging market governments and denominated in the local currency of the issuer.

Deutsche Bank Currency Returns Index is an investable index that captures the long term systematic returns available by investing in the world's currency markets. It replicates the three strategies most widely employed in the foreign exchange market (carry, momentum and valuation).

## Who Should Invest in this Fund?

The Pool may be suitable for you if:

- you want to invest in a diversified portfolio of fixed income securities and are seeking regular income;
- you are investing for the medium to long term; and
- you can tolerate low investment risk.

## Distribution Policy

Distributions of net income occur monthly. Distributions of any net realized capital gains occur annually in December. The amount of the distributions is not guaranteed and may change from time to time without notice to unitholders.

**Distributions are automatically reinvested in additional units of the Pool unless you tell us otherwise.**

Refer to *Distribution Policy* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

## Fund Expenses Indirectly Borne By Investors

An illustration of how much an investment made in the Pool will cost you over one, three, five and ten years is not provided because the Pool is new.

# CIBC Core Fixed Income Pool

## Fund Details

Fund type	Portfolio advisor	Qualified investment for registered plans	
Canadian Fixed Income	CIBC Asset Management Inc., Toronto, Canada	Yes	
Series of units offered	Date started	Annual management fee	Fixed administration fee
Series A units	October 21, 2019	0.80%	0.05%
Series F units	October 21, 2019	0.30%	0.05%
Series O units	October 21, 2019	Negotiated with and paid by, or as directed by, unitholders or dealers and discretionary managers on behalf of unitholders.	No fixed administration fee is charged.

## What Does the Fund Invest In?

### Investment objectives

The Pool will focus on generating regular income with the potential for modest long-term capital appreciation, by investing primarily in units of other mutual funds that invest in fixed income securities.

We will not change the Pool's fundamental investment objectives without the consent of unitholders by a majority of votes cast at a meeting of unitholders.

### Investment strategies

To achieve its investment objectives, the Pool:

- will, under normal market conditions, employ a disciplined long-term strategic asset allocation approach as the principal investment strategy;
- may invest up to 100% of the its assets in Underlying Funds, including mutual funds and exchange-traded funds managed by us or our affiliates, and up to 10% of its net asset value may be invested in units of Underlying Funds which are alternative funds;
- may tactically allocate to adjust its asset mix over the short- to medium-term based on changes in the market outlook and the Underlying Funds' ability to meet the Pool's stated investment objectives;
- selects Underlying Funds that primarily invest in fixed income securities to construct a portfolio diversified by sector, geography, credit quality, duration, currency and other relevant factors;
- will indirectly have exposure to Canadian, U.S. and/or international securities through its Underlying Funds;
- may change its Underlying Funds from time to time; and
- may have exposure through its Underlying Funds to fixed income securities rated below investment grade, with the allocation to these issues typically ranging between 10% and 20%; and
- may hold a portion of its assets in cash, money market securities, or money market mutual funds while seeking investment opportunities or for defensive purposes.

The Pool and the Underlying Funds may engage in derivatives transactions for hedging and non-hedging purposes; in securities lending, repurchase and reverse purchase transactions; and in short selling transactions. These transactions may be used in conjunction with other investment strategies in a manner considered appropriate to the Pool's investment objectives. While the Pool, or an Underlying Fund, may at its discretion, engage in derivatives, securities lending, repurchase and reverse repurchase transactions, and short selling transactions, it is not required to do so as an investment strategy. Refer to *Use of Derivatives, Securities Lending, Repurchase, and Reverse Repurchase Transactions*, and to *Short Selling* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

We can change the investment strategies, from time to time, without notice to, or consent of, unitholders.

## What are the Risks of Investing in the Fund?

In addition to the direct risks of investing in the Pool, the Pool has indirect exposure to the risks of the Underlying Funds in proportion to its investment in those Underlying Funds. The direct and indirect risks that the Pool may be exposed to are listed below. Refer to *Types of Investment Risks* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

- asset allocation risk
- asset-backed and mortgage-backed securities risk
- capital depreciation risk
- concentration risk
- cybersecurity risk
- deflation risk
- derivatives risk
- emerging markets risk
- exchange-traded fund risk
- fixed income risk
- floating rate loan risk
- foreign currency risk
- foreign market risk
- general market risk
- large investor risk
- liquidity risk
- lower-rated bond risk
- prepayment risk
- regulatory risk
- securities lending, repurchase, and reverse repurchase transactions risk
- series risk
- short selling risk
- sovereign debt risk

We have classified this Pool's risk level to be **low**. Refer to *Investment Risk Classification Methodology* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information about the methodology we used to classify this Pool's risk level.

Since this Pool is new and has less than 10 years of performance history, the investment risk level has been calculated by reference to the returns of the following indices in the proportions noted: 31% FTSE Canada Short Term Overall Bond Index, 8% FTSE Canada Floating Rate Note Index\*, 25% FTSE Canada Universe Bond Index, 6% FTSE World Government Bond Index (Hedged CAD), 5% FTSE Canada All Corporate Bond Index, 5% Bank of America Merrill Lynch BB-B US Cash Pay High Yield Index (Hedged CAD), 5% Credit Suisse Leveraged Loan Index (USD), 4% Barclays U.S. Aggregate 1-5 Year Index (USD), 4% JP Morgan Corporate Emerging Markets Bond Index Broad Diversified, 4% JP Morgan Government Bond Index – Emerging Markets Global Core Total Return Index, and 3% Deutsche Bank Currency Returns Index.

\* Prior to July 2011, FTSE Canada 91 Day T-Bill Index.

FTSE Canada Short Term Overall Bond Index is intended to represent the Canadian short-term bond market. It contains bonds with remaining effective terms greater than or equal to one year and less than or equal to five years.

FTSE Canada Floating Rate Note Index is designed to reflect the performance of domestic Canadian Government and Corporate Rate Note securities.

FTSE Canada 91 Day T-Bill Index measures the returns attributable to 91-day Treasury Bills.

FTSE Canada Universe Bond Index is comprised of marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds from over 20 countries.

FTSE Canada All Corporate Bond Index is divided into sub-sectors based on major industry groups: financial, communication, industrial, energy, infrastructure, real estate, and securitization. The Corporate sector is also divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector, and a BBB sector.

Bank of America Merrill Lynch BB-B U.S. Cash Pay High Yield Index is a subset of the Bank of America Merrill Lynch U.S. Cash Pay High Yield Index including all securities rated BB1 through B3, inclusive. It tracks the performance of U.S. dollar denominated below investment grade corporate debt, currently in a coupon paying period, that is publicly issued in the U.S. domestic market.

Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market.

Barclays U.S. Aggregate 1-5 Year Index is a subset of the Barclays U.S. Aggregate Index. The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage and asset-backed issues, rated investment grade or higher, and with maturities greater than or equal to one year and less than five years.

JP Morgan Corporate Emerging Markets Bond Index Broad Diversified is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

JP Morgan Government Bond Index -Emerging Markets Global Core Total Return Index is designed to track the performance of bonds issued by emerging market governments and denominated in the local currency of the issuer.

Deutsche Bank Currency Returns Index is an investable index that captures the long term systematic returns available by investing in the world's currency markets. It replicates the three strategies most widely employed in the foreign exchange market (carry, momentum and valuation).

## Who Should Invest in this Fund?

The Pool may be suitable for you if:

- you want to invest in a diversified portfolio of fixed income securities and are seeking regular income with the potential for modest long-term capital appreciation;
- you are investing for the medium to long term; and
- you can tolerate low investment risk.

## Distribution Policy

Distributions of net income occur monthly. Distributions of any net realized capital gains occur annually in December. The amount of the distributions is not guaranteed and may change from time to time without notice to unitholders.

**Distributions are automatically reinvested in additional units of the Pool unless you tell us otherwise.**

Refer to *Distribution Policy* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

## Fund Expenses Indirectly Borne By Investors

An illustration of how much an investment made in the Pool will cost you over one, three, five and ten years is not provided because the Pool is new.

# CIBC Core Plus Fixed Income Pool

## Fund Details

Fund type	Portfolio advisor	Qualified investment for registered plans	
Global Fixed Income	CIBC Asset Management Inc., Toronto, Canada	Yes	
Series of units offered	Date started	Annual management fee	Fixed administration fee
Series A units	October 21, 2019	0.80%	0.05%
Series F units	October 21, 2019	0.30%	0.05%
Series O units	October 21, 2019	Negotiated with and paid by, or as directed by, unitholders or dealers and discretionary managers on behalf of unitholders.	No fixed administration fee is charged.

## What Does the Fund Invest In?

### Investment objectives

The Pool will focus on generating regular income and modest long-term capital appreciation by investing primarily in units of other mutual funds that invest in fixed income securities.

We will not change the Pool's fundamental investment objectives without the consent of unitholders by a majority of votes cast at a meeting of unitholders.

### Investment strategies

To achieve its investment objectives, the Pool:

- will, under normal market conditions, employ a disciplined long-term strategic asset allocation approach as the principal investment strategy;
- may invest up to 100% of its assets in Underlying Funds, including mutual funds and exchange-traded funds managed by us or our affiliates, and up to 10% of its net asset value may be invested in units of Underlying Funds which are alternative funds;
- may tactically allocate to adjust its asset mix over the short- to medium-term based on changes in the market outlook and the Underlying Funds' ability to meet the Pool's stated investment objectives;
- selects Underlying Funds that primarily invest in fixed income securities to construct a portfolio diversified by sector, geography, credit quality, duration, currency and other relevant factors;
- will indirectly have exposure to Canadian, U.S. and/or international securities through its Underlying Funds;
- may change its Underlying Funds from time to time; and
- may have exposure through its Underlying Funds to fixed income securities rated below investment grade, with the allocation to these issues typically ranging between 15% and 25%; and
- may hold a portion of its assets in cash, money market securities, or money market mutual funds while seeking investment opportunities or for defensive purposes.

The Pool and the Underlying Funds may engage in derivatives transactions for hedging and non-hedging purposes; in securities lending, repurchase and reverse purchase transactions; and in short selling transactions. These transactions may be used in conjunction with other investment strategies in a manner considered appropriate to the Pool's investment objectives. While the Pool, or an Underlying Fund, may at its discretion, engage in derivatives, securities lending, repurchase and reverse repurchase transactions, and short selling transactions, it is not required to do so as an investment strategy. Refer to *Use of Derivatives, Securities Lending, Repurchase, and Reverse Repurchase Transactions*, and to *Short Selling* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

We can change the investment strategies, from time to time, without notice to, or consent of, unitholders.

## What are the Risks of Investing in the Fund?

In addition to the direct risks of investing in the Pool, the Pool has indirect exposure to the risks of the Underlying Funds in proportion to its investment in those Underlying Funds. The direct and indirect risks that the Pool may be exposed to are listed below. Refer to *Types of Investment Risks* under *What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund?* for more information.

- asset allocation risk
- asset-backed and mortgage-backed securities risk
- capital depreciation risk
- concentration risk
- cybersecurity risk
- deflation risk
- derivatives risk
- emerging markets risk
- exchange-traded fund risk
- fixed income risk
- floating rate loan risk
- foreign currency risk
- foreign market risk
- general market risk
- large investor risk
- liquidity risk
- lower-rated bond risk
- prepayment risk
- regulatory risk
- securities lending, repurchase, and reverse repurchase transactions risk
- series risk
- short selling risk
- sovereign debt risk

We have classified this Pool's risk level to be **low**. Refer to *Investment Risk Classification Methodology* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information about the methodology we used to classify this Pool's risk level.

Since this Pool is new and has less than 10 years of performance history, the investment risk level has been calculated by reference to the returns of the following indices in the proportions noted: 18% FTSE Canada Short Term Overall Bond Index, 5% FTSE Canada Floating Rate Note Index\*, 29% FTSE Canada Universe Bond Index, 7% FTSE World Government Bond Index (Hedged CAD), 6% FTSE Canada All Corporate Bond Index, 5% Bank of America Merrill Lynch BB-B US Cash Pay High Yield Index (Hedged CAD), 6.5% Credit Suisse Leveraged Loan Index (USD), 4.5% Barclays U.S. Aggregate 1-5 Year Index (USD), 6% JP Morgan Corporate Emerging Markets Bond Index Broad Diversified, 6% JP Morgan Government Bond Index – Emerging Markets Global Core Total Return Index, and 7% Deutsche Bank Currency Returns Index.

\* Prior to July 2011, FTSE Canada 91 Day T-Bill Index.

FTSE Canada Short Term Overall Bond Index is intended to represent the Canadian short-term bond market. It contains bonds with remaining effective terms greater than or equal to one year and less than or equal to five years.

FTSE Canada Floating Rate Note Index is designed to reflect the performance of domestic Canadian Government and Corporate Rate Note securities.

FTSE Canada 91 Day T-Bill Index measures the returns attributable to 91-day Treasury Bills.

FTSE Canada Universe Bond Index is comprised of marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization.

FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds from over 20 countries.

FTSE Canada All Corporate Bond Index is divided into sub-sectors based on major industry groups: financial, communication, industrial, energy, infrastructure, real estate, and securitization. The Corporate sector is also divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector, and a BBB sector.

Bank of America Merrill Lynch BB-B U.S. Cash Pay High Yield Index is a subset of the Bank of America Merrill Lynch U.S. Cash Pay High Yield Index including all securities rated BB1 through B3, inclusive. It tracks the performance of U.S.



dollar denominated below investment grade corporate debt, currently in a coupon paying period, that is publicly issued in the U.S. domestic market.

Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market.

Barclays U.S. Aggregate 1-5 Year Index is a subset of the Barclays U.S. Aggregate Index. The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage and asset-backed issues, rated investment grade or higher, and with maturities greater than or equal to one year and less than five years.

JP Morgan Corporate Emerging Markets Bond Index Broad Diversified is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

JP Morgan Government Bond Index -Emerging Markets Global Core Total Return Index is designed to track the performance of bonds issued by emerging market governments and denominated in the local currency of the issuer.

Deutsche Bank Currency Returns Index is an investable index that captures the long term systematic returns available by investing in the world's currency markets. It replicates the three strategies most widely employed in the foreign exchange market (carry, momentum and valuation).

## Who Should Invest in this Fund?

The Pool may be suitable for you if:

- you want to invest in a diversified portfolio of fixed income securities and are seeking regular income and modest long-term capital appreciation;
- you are investing for the medium to long term; and
- you can tolerate low investment risk.

## Distribution Policy

Distributions of net income occur monthly. Distributions of any net realized capital gains occur annually in December. The amount of the distributions is not guaranteed and may change from time to time without notice to unitholders.

**Distributions are automatically reinvested in additional units of the Pool unless you tell us otherwise.** Refer to *Distribution Policy* under *Specific Information about Each of the Mutual Funds Described in this Document* for more information.

## Fund Expenses Indirectly Borne By Investors

An illustration of how much an investment made in the Pool will cost you over one, three, five and ten years is not provided because the Pool is new.



**CIBC Asset Management Inc.**

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Additional information about the Pools is available in its Annual Information Form, the most recently filed Fund Facts, the most recently filed audited annual financial statements and any subsequent interim financial statements, and the most recently filed annual management report of fund performance and any subsequent interim management report of fund performance. These documents are incorporated by reference into this Simplified Prospectus, which means that they legally form part of this Simplified Prospectus as if they were printed in it.

You can request copies of these documents at no cost by calling us toll-free at 1-888-888-3863, by emailing us at [info@renaissanceinvestments.ca](mailto:info@renaissanceinvestments.ca), or by contacting your dealer. They are also available on our website at [renaissanceinvestments.ca](http://renaissanceinvestments.ca)

These documents, this Simplified Prospectus, and other information about the Pools, such as information circulars and material contracts, are also available by visiting [sedar.com](http://sedar.com).

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