

CONSOLIDATED BALANCE SHEET

PURPOSE

The purpose of this return is to provide a consolidated balance sheet of the institution as at the last day of each month. The balance sheet categories reflect the information required by the major users - the Office of the Superintendent of Financial Institutions, the Bank of Canada, Canada Deposit Insurance Corporation and Statistics Canada - for purposes of analyzing and monitoring the individual and aggregate financial condition of institutions. The return also requires the separation of assets and liabilities into total and foreign currencies.

STATUTORY

Sections 628 and 600 of the Bank Act and Section 495 of the Trust and Loan Companies Act.

APPLICATION

This return applies to all deposit-taking institutions.

PUBLICATION

Information from this return is available on a total and institution-by-institution basis on the OSFI website at www.osfi-bsif.gc.ca and is published in the Bank of Canada Banking and Financial Statistics on a total-for-all-institutions basis.

FREQUENCY

Monthly.

CONTACT PERSON

Provide name and phone number of person to contact regarding any questions about this return.

REPORTING DATES

The return is to be completed as of the last day of each month and submitted within 30 days of the reporting date.

CONTACT AGENCY

OSFI.

GENERAL INSTRUCTIONS

The form of the consolidated balance sheet is identical for all institutions regardless of size and type. Consequently, certain balance sheet categories may not be applicable to some institutions because of the nature of their operations.

Where these instructions indicate that a certain category includes particular items, the particular items listed do not limit the generality of the heading but indicate the kind of items that are to be reported there.

Assets under administration are not to be included in the balances reported on the balance sheet.

Assets are to be reported net of the allowance for impairment, if any.

All allowances are to be netted from the appropriate assets in the same currency in which the relevant assets are denominated, regardless of whether the allowances are booked in Canadian or foreign currency. Where allowances for impairment against groups of loans have been established against assets denominated in both Canadian dollars and foreign currency, the allowances should be allocated proportionately according to the gross amounts of the assets outstanding in the various currencies.

Interest should be accrued on loans; the accrual is to be included in Asset 6. Debts purchased at a premium or discount are to be reported net of the premium or discount. The net reported amount of such loans will be increased or decreased as the discounts or premiums are taken into income over the term of the loan. Fixed-term loans on which the interest for the term is pre-computed and added to the principal are to be reported net of the pre-computed interest.

Deposits with regulated financial institutions include all non-interest-bearing balances and interest-bearing balances, including correspondent relationships in Canada and elsewhere placed in the normal course of market trading where the only documentation exchanged is a confirmation of contract and the rates applied are the bid and offer of the market.

Insurance-related Assets comprise certain asset categories from Insurance Subsidiaries that do not readily fall into the asset categories used in institution financial statements. Examples are given in the detailed instructions for Asset 6(a).

Assets of Insurance Subsidiaries such as securities and mortgages that readily fall into the asset categories used by institutions are to be reported in these categories.

All amounts are to be expressed in thousands of Canadian dollar equivalents.

Companies are required to prepare their quarterly and annual financial statements in accordance with IFRSs for fiscal years beginning on or after January 1, 2011. The reporting package has been revised for all filers which are now reporting under IFRS. References to CGAAP have been removed.

SECTION I - ASSETS

A 1 Cash and Cash Equivalents

- (a) Gold, bank notes, deposits with Bank of Canada, cheques and other items in transit

Include:

- gold coin;
- gold and silver bullion held in Canada and elsewhere;
- gold and silver certificates held as investments;
- precious metals.
- Bank of Canada notes on hand;
- foreign currency notes;
- Canadian coin on hand;
- foreign coin held in Canada and elsewhere (foreign coin is to be reported as foreign currency, but U.S. coin in circulation in Canada need not be segregated unless amounts are material).
- all completed deposit transactions with Bank of Canada, including Large-Value Transfer System (LVTS), Special Deposit Account (SDA) and Automated Clearing and Settlement System (ACSS) component balances.

Exclude:

- loans repayable in gold and silver bullion.

Other Instructions:

Notes on hand and coin include those in transit between any units of the institution. Units of the institution include any branches or offices of the institution's subsidiaries.

Gold should be valued by translating to a Canadian dollar equivalent (using the month-end rate published by the Bank of Canada) the U.S. dollar value set at the second London gold "fixing".

Component deposit balances used to produce total deposits at the Bank of Canada must agree with the balance reports provided by the Bank of Canada at reporting date.

For items that meet the criteria for offsetting in accordance with IFRS, report the net balance (when that balance is a debit) of all accounts representing outstanding inter-institution and inter-branch entries, settlements and other items in transit.

If the foreign currency items in transit are a credit, although the total transit figure is a debit, report the foreign currency credit amount with a minus sign.

(b) Deposits With Regulated Financial Institutions, Less Allowance for Impairment

Include:

- non-interest-bearing demand deposit balances;
- interest-bearing deposit balances;
- interest-bearing accounts that are correspondent relationships in Canada and elsewhere;
- deposits with foreign central banks or foreign official monetary institutions;
- term deposits for investment purposes;
- certificates of deposit purchased;
- acceptances purchased.

Exclude:

- deposits with Bank of Canada.

Other Instructions:

Overdrafts in deposit accounts with regulated financial institutions, which are deposit-taking, are to be included in Liability 1(c) - Demand Deposits of Deposit-taking Institutions.

Overdrafts in deposit accounts of and loans to regulated financial institutions, including loans to foreign central banks or foreign official monetary institutions are to be included in Asset 11(b) - Non-Mortgage Loans to Regulated Financial Institutions.

A2 Securities

General Instructions

Securities issued or guaranteed by Canada are to be reported on the basis of remaining term-to-maturity.

Securities Held at Amortized Cost

Securities held at amortized cost, including those classified as Held to Maturity.

Securities Held at Fair Value

Securities accounted for as Held for Trading, Available for Sale, Fair Value Hedge, and securities designated as Held for Trading ("Fair Value Option"), should be fair valued in accordance with IFRS. Items classified as Available for Sale are to be reported net of any allowance for impairment.

Amortization - see Glossary

Where these Instructions provide optional methods of computing amortization, the practices followed by the institution should be consistent.

(a) Securities Issued or Guaranteed by Canada/Canadian Province/Canadian Municipal or School Corporation

(i) Treasury Bills and other short term paper

Include:

- securities issued or guaranteed by Canada maturing within 3 years;
- securities issued or guaranteed by a Canadian province or a Canadian municipal or school corporation with an original term to maturity of one year or less

(ii) Other securities

Include:

- securities issued by a territory;
- municipal and school securities or any other securities guaranteed by a province or territory.
- securities of school commissions, boards and districts;
- securities of municipal public utilities;

(b) Other Securities, less allowance for impairment

(i) Debt

Include:

- corporate promissory notes and other bills of exchange or instruments commonly referred to as commercial paper for investment purposes other than institution acceptances drawn by others;
- income debentures;
- small business development bonds;
- small business bonds;
- securities not reported elsewhere;
- retained interests

Other instructions:

Retained interests are assets that arise on the date related assets (receivables) are sold to a special purpose entity and securitized. These assets are retained by the selling institution and they are related to the assets sold to the SPE. Retained interests also include any purchased beneficial interests from third parties. They include interest-only strips, subordinated notes, residual interests, cash collateral, loans and other receivables. They are to be accounted for, under IFRS.

(ii) Shares

Include:

- common, preferred and term-preferred shares and rights in respect of such shares and units of mutual or investment funds.

Other Instructions:

Debt and equity securities of clubs and like local not for profit organizations purchased for other than investment purposes, are to be included under Asset 6.

Debt and equity securities that normally would be included in Other Securities but have been guaranteed by Canada, provinces, or municipal or school corporations should be reported as Asset 2(a).

Fixed-term equity securities held at amortized cost are to be adjusted for the amortization of related premium or discount.

The cost at which holdings of individual securities are carried is to be adjusted to reflect anticipated permanent losses in the underlying values.

Issues of securities where there is a put option or an offer to purchase present, at a price higher than the carrying value of the security, should be recorded at cost. Increases in the carrying value and the accrual of the gain into income are to be permitted only in those circumstances where there is virtual certainty that the gain arising from the put option or the offer to purchase will be realized. Virtual certainty must be demonstrated to the satisfaction of the Office of the Superintendent of Financial Institutions. Normally the prospective purchaser of the securities would be either the Government of Canada or an organization controlled by the Government of Canada.

A 3 Loans

(a) Non-Mortgage Loans, less allowance for impairment

(i) Call and Other Short Loans to Investment Dealers and Brokers, Secured

Include:

- loans against securities to recognized investment dealers, stockbrokers and underwriting syndicates (whether or not the institution is a member) that, when made, were payable on call or within 90 days;
- sight drafts with securities attached;
- daylight overdrafts outstanding.

Other Instructions:

If a loan of this type becomes under-secured, transfer the items to Asset 3(a)(ii).

(ii) To Regulated Financial Institutions

Include:

- Commercial loans to regulated financial institutions in Canada and elsewhere, and include loans to foreign central banks or foreign official monetary institutions and overdrafts in deposit accounts of other regulated financial institutions.

(iii) To Canadian Federal Government, Provinces, Municipal or School Corporations

Include:

- loans to, and temporary overdrafts of Canadian Federal, Provincial, Territorial and Municipal governments, boards and commissions that carry on projects other than business enterprises;
- loans to school boards, commissions and districts.

Exclude:

- provincial and municipal Treasury Bills and like evidence of indebtedness and include with securities (see Asset 2(a)(i) & (ii)).

Other Instructions:

Loans to separately constituted boards or commissions that have borrowing authority and that carry on business enterprises are to be included under Asset 3(a)(vii).

(iv) To Foreign Governments

Include:

- loans to, and temporary overdrafts of foreign central, provincial, state, municipal governments, boards and commissions that carry on projects other than business enterprises;
- loans to school boards, commissions and districts.

Exclude:

- loans to foreign central banks or foreign official monetary authorities. These are to be included in Asset 3(a)(ii), above.

Other Instructions:

Loans to separately constituted boards or commissions that have borrowing authority and that carry on business enterprises are to be included under Asset 3(a)(viii).

(v) Lease Receivables

Exclude:

- conditional sales contracts (See Assets 3(a)(vi) and 3(a)(viii)).

(vi) To Individuals for Non-Business Purposes

Include:

- outstanding balance under a credit card plan;
- loans granted under an institution's personal loan plan;
- conditional sales contracts to finance the acquisition of personal goods and services;
- overdrafts in individuals' deposit accounts under Liability 1(d), 2(d) and overdrafts in tax accounts related to residential mortgages;
- bridge financing loans associated with residential properties;
- government-guaranteed loan plans for individuals;
- loans to individuals secured by stocks and bonds;
- other loans to individuals for non-business purposes not included above.

(A) **Of which:** secured by residential property

Include:

- loans to individuals for non-business purposes that are secured by residential property

(B) **Of which:** secured by other than residential property

Include:

- loans to individuals for non-business purposes that are secured by anything other than residential property

(vii) Reverse Repurchase Agreements

Include:

- reverse repurchase agreements

(viii) To Individuals and Others for Business Purposes

Include:

- loans to government and municipal boards and commissions that are separately constituted and carry on business enterprises;
- loans to religious, charitable and welfare organizations, hospitals and private schools;
- loans, excluding loans to individuals for non-business purposes, guaranteed in whole or in part by Canada, a province or a municipality;
- securities acquired in the liquidation of a loan and held pending disposal or transfer to the Investment Account of the institution;
- except where offset is provided for in these instructions, other overdrafts in deposit accounts under Liability 1 and not reported elsewhere;
- acceptances of the institution purchased and held as loans that are those of corporate customers and those that were originally drawn by provinces or by municipal or school corporations;
- amount of partial participation in a loan made by another institution where recourse for reimbursement is against the lending institution only and limited to a share of the proceeds from the realization of the loan in proportion to the participation;
- accounts receivable factored;
- collateral mortgages;
- conditional sales contracts for business purposes;
- bridge financing associated with non-residential properties;
- other loans not classified elsewhere.

Other Instructions:

Exclude corporate promissory notes and other bills of exchange or instruments, commonly referred to as commercial paper, purchased for investment, and report these items under Asset 2(b)(i).

Where, on a reporting date, the balances of an operating or demand loan account (including an overdraft) and a deposit account of the same individual, partnership or corporate entity may be partially or wholly offset by legal set-off and by a written customer agreement and the offsetting balances are in the same currency and bear the same or no rate of interest, the account balances may be reported net. However, term loans and fixed-term deposits may not be offset for regulatory reporting purposes.

Loan and deposit accounts that may be combined for such purposes as computing customer interest, service charges, etc. may not be reported net.

Net unamortized amounts of fees and costs associated with lending activities are to be included in the balances of the respective loan categories. When net unamortized fees and costs are immaterial, these amounts may be included in Liability 6 - Other Liabilities.

(A) **Of which:** secured by residential property

Include:

- loans to individuals and others for business purposes that are secured by residential property

(B) **Of which:** secured by other than residential property

Include:

- loans to individuals and others for business purposes that are secured by anything other than residential property

(b) Mortgages, Less Allowance for Impairment

General Instructions:

Advances made to finance development and construction that are not secured by a mortgage (i.e., bridge financing) are to be included in Asset 3(a)(vi) or 3(a)(viii).

Mortgages acquired at a premium or discount are to be reported net of the premium or discount. The net reported amount of such mortgages will be increased or decreased as the premiums or discounts are taken into income over the term of the mortgages.

A mortgage secured by buildings of which at least 50% of the floor space is used or will be used for permanent private accommodation is to be included under Asset 3(b)(i).

Collateral mortgages are to be included in Asset 3(a)(vi) or 3(a)(viii).

Reverse mortgages are to be reported in Asset 3 (b) (i) (D).

Tax prepayments are to be included under either Liability 1(d) or 1(e). Cheques issued for mortgages advances are to be included under Asset 1(a) until charged to the mortgage account.

These instructions apply to all mortgage loans, not only to first mortgages.

Other Instructions:

Net unamortized amounts of fees and costs associated with lending activities are to be included in the balances of the respective loan categories. When net unamortized fees and costs are immaterial, these amounts may be included in Liability 9 - Other Liabilities.

(i) Residential

(A) Insured

Include:

- advances as well as completed loans insured under NHA or other insurance companies/agencies.

Exclude:

- mortgages that cease to be insured.

(B) **Of which:** NHA MBS Pooled and Unsold

Include:

- the outstanding balance of National Housing Act Mortgage Backed Securities (NHA MBS), pooled and unsold (bank originated or purchased).

- (C) Uninsured
Include:
- advances as well as completed loans;
 - real estate acquired in the liquidation of a loan previously reported in this category and held pending completion of arrangements for disposal or transfer to Asset 5 or 6.

- (D) Reverse mortgages
Include:
- reverse mortgages

(ii) Non-residential

- Include:
- advances as well as completed loans for commercial, farm and industrial mortgages.

A 4 Customers' Liability Under Acceptances, Less Allowance for Impairment

- Include:
- Acceptances of the institution.

Other Instructions:

Acceptances of the institution when purchased and held are to be reported under Asset 3(a)(viii) with a corresponding reduction in Asset 4 and Liability 5, if previously reported in these categories.

Refer to Liability 5.

A 5 Land, Buildings and Equipment, Less Accumulated Depreciation

- Include:
- land, buildings, furniture and equipment;
 - leasehold improvements that are to be written off during the term of a lease;
 - capital leases;
 - interest capitalized during the period of construction of major projects;
 - former institution premises no longer used as such;
 - in "accumulated depreciation",
 - (i) estimated depreciation for the fiscal year to date,
 - (ii) actual write-offs,
 - (iii) reserves for depreciation, and
 - (iv) amortization of capital leases.

Other Instructions:

Where a capital lease is the result of a sale-leaseback arrangement, any profit or loss arising on the sale should be deferred and amortized in proportion to the amortization of the leased asset, except for leases involving land only, in which case it would be amortized over the lease-term on a straight-line basis. However, when at the time of the sale-leaseback transaction the fair value of the property is less than carrying value, the difference should be recognized as a loss immediately.

A 6 Other Assets

(a) Insurance-Related Assets

Include:

- policy loan balances of insurance company subsidiaries.
- premium outstanding balances of insurance company subsidiaries.
- balances due from other insurers in respect of reinsurance contracts, pooling and other arrangements of insurance company subsidiaries.
- deferred policy acquisition expenses of insurance company subsidiaries;
- other assets unique to insurance company operations and not included elsewhere;
- the adjustment in respect of unamortized gains or losses on investments of insurance company subsidiaries (if the balance is a debit).

(b) Accrued Interest

Include:

- accrued interest and dividends on Assets 1(b), 2, 3 and 6(a).

Other Instructions:

Dividends on term-preferred shares should be accounted for on the accrual basis, unless there are questions of collectability involved. Where collection is not in doubt, dividend income related to this type of preferred share should be accrued prior to the declaration of the dividends by the issuer.

Dividends on common shares and on preferred shares (other than term-preferred shares) should not be accrued until they are clearly payable by the issuer.

Interest on income debentures should be accounted for on the accrual basis, unless there are questions of collectability involved.

(c) Prepaid and Deferred Charges

Include:

- stationery inventory if any;
- prepaid insurance, taxes and other prepaid expenses;
- all postage and other stamp inventories, if any, held in Canada and elsewhere.

(d) Goodwill

Other Instructions:

Goodwill is carried at the amount initially recognized less any writedown for impairment.

(e) Intangibles

(i) with definite lives

Include:

- core deposit intangibles;
- customer lists and relationships;
- mortgage servicing rights;
- other intangibles

Other Instructions:

Less deductions for amortization charges.

(ii) with indefinite lives

Other Instructions:

Carried at amount initially recognized less any writedown for impairment.

(f) Deferred Tax Assets

Include:

- future taxes if balance is a debit.

(g) Derivative Related Amounts

Include:

- amounts relating to derivative instruments, including unrealized gains (losses are to be offset against gains), margin requirements and premiums paid. Offsetting is only permissible in accordance with IFRS.

Exclude:

- for Foreign Bank Branches only, derivative related amounts with head office, or other branches of the same bank (see Asset 6(g)).

(h) Due from Head Office and related Canadian regulated Financial Institutions (to be completed by Foreign Bank Branches only)

General Instructions:

Report on a gross basis:

- Netting of assets and liabilities is only permissible in accordance with IFRS;
- Amounts “due to/from” one branch cannot be used to offset amounts “due to/from” either head office or another branch of the same bank;
- Unless there is a netting arrangement in place, it is possible to have both an asset and a liability with another branch.

Include:

- amounts due from head office, other branches of the same bank and related Canadian regulated financial institutions.

Other Instructions:

Amounts due from foreign affiliates of the bank should be treated as third party assets and reported separately in the appropriate balance sheet line items.

The sum of the amounts reported on asset memo item lines 3(a)(i), (ii) and (iii) must equal the total amount reported in asset 6(g).

Please refer to the glossary section in this manual for the definition of "Regulated Financial Institution".

- (i) Interests in associates and joint ventures

Include investments carried using the equity method.

- (j) Other

Include:

- sundry accounts receivable;
- recoverable tellers' shortages;
- recoverable losses arising from defalcations, hold-ups, robberies, etc.;
- foreclosed real estate and other long-lived assets acquired in the liquidation of a loan;
- shareholdings that are of a temporary nature because of a formal agreement for disposal of the institution's interest;
- securities of clubs and like local not for profit organizations purchased for other than investment purposes;
- unamortized discount, if any, on subordinated debt issued and outstanding;
- fair value of defined benefit plan assets;
- special pension fund payments that have not yet been charged to operating expenses;
- other payments, etc. that have not been charged to operating expenses;
- other expenditures that are to be charged to operating expenses at a later date;
- any interest in a partnership that is not in the form of a loan or marketable security;
- assets sold with recourse.

MEMO ITEMS

(1) Securitized Assets

(a) Unrecognized

General Instructions:

Unrecognized securitizations should be interpreted as securitized assets that are not reported on the balance sheet.

(i) Institution's own assets (bank originated or purchased)

(A) Traditional securitizations

General Instructions:

Report the outstanding balances of SPE assets.

(I) Credit card loans

Include:

- credit card loans that otherwise would be reported in Asset 3(a).

(II) Automobile loans

Include:

- automobile loans that otherwise would be reported in Asset 3(a).

(III) Personal loans

Include:

- personal loans that otherwise would be reported in Asset 3(a).

(IV) Commercial loans

Include:

- commercial loans that otherwise would be reported in Asset 3(a).

(V) Lease receivables

Include:

- lease receivables that otherwise would be reported in Asset 3(a).

(VI) Residential mortgages, insured

Include:

- residential mortgages, insured that otherwise would be reported in Asset 3(b)(i)(A).

(VII) Of which: NHA MBS pooled and sold

Include:

- the amount of National Housing Act Mortgage Backed Securities included in residential mortgages, insured (bank originated or purchased) in Asset 3(b)(i)(A) pooled and sold.

Exclude:

- the amount of National Housing Act Mortgage Backed Securities included in residential mortgages, insured, of which NHA MBS pooled and unsold (bank originated or purchased) and reported in Asset 3(b)(i)(B).

(VIII) Residential mortgages, uninsured

Include:

- residential mortgages, uninsured that otherwise would be reported in Asset 3(b)(i)(B).

(IX) Non-residential mortgages

Include:

- non-residential mortgages that otherwise would be reported in Asset 3(b)(ii).

(X) Other assets

Include:

- other assets not listed in the above categories.

(B) Synthetic securitizations

General instructions:

Report the nominal/notional balances for all securitization vehicles sponsored/administered by the institution.

(I) Banking book vehicles

(II) Trading book vehicles

(ii) Third Party Assets - Institution sponsored/administered

(A) Traditional securitizations

General Instructions:

Report the outstanding balances of debt issued for all securitization vehicles sponsored/administered by the institution. The line references are the same as in section (i).

(I) Credit card loans

(II) Automobile loans

(III) Personal loans

(IV) Commercial loans (including traditional CDOs, CLOs)

(V) Lease receivables

(VI) Residential mortgages, insured (including traditional CMOs)

(VII) Of which: NHA MBS pooled and sold (see above)

(VIII) Residential mortgages, uninsured (including traditional CMOs)

(IX) Non-residential mortgages (including traditional CMOs)

(X) Other assets (including traditional CDOs, CLOs not reported above)

(B) Synthetic securitizations

General instructions:

Report the nominal/notional balances for all securitization vehicles sponsored/administered by the institution.

- (I) Banking book vehicles
- (II) Trading book vehicles

(b) Recognized

General Instructions:

Recognized securitizations should be interpreted as securitized assets that are reported on the balance sheet and included in their underlying asset categories.

(i) Institution's own assets (bank originated or purchased)

(A) Traditional securitizations

General Instructions:

Report the outstanding balances of SPE assets that are reported on the balance sheet under IFRS. The line references are the same as in section 1(a)(i).

- (I) Credit card loans
- (II) Automobile loans
- (III) Personal loans
- (IV) Commercial loans
- (V) Lease receivables
- (VI) Residential mortgages, insured
- (VII) Of which: NHA MBS pooled and sold (see above)
- (VIII) Residential mortgages, uninsured
- (IX) Non-residential mortgages
- (X) Other assets

(B) Synthetic securitizations

General instructions:

Report the nominal/notional balances for all securitization vehicles sponsored/administered by the institution.

- (I) Banking book vehicles
- (II) Trading book vehicles

(ii) Third Party Assets - Institution sponsored/administered

(A) Traditional securitizations

General Instructions:

Report the outstanding balances of debt issued for all securitization vehicles sponsored/administered by the institution. The line references are the same as in section 1(a)(i).

- (I) Credit card loans
- (II) Automobile loans
- (III) Personal loans
- (IV) Commercial loans (including traditional CDOs, CLOs)
- (V) Lease receivables
- (VI) Residential mortgages, insured (including traditional CMOs)
- (VII) Of which: NHA MBS pooled and sold (see above)
- (VIII) Residential mortgages, uninsured (including traditional CMOs)
- (IX) Non-residential mortgages (including traditional CMOs)
- (X) Other assets (including traditional CDOs, CLOs not reported above)

(B) Synthetic securitizations

General instructions:

Report the nominal/notional balances for all securitization vehicles sponsored/administered by the institution.

- (I) Banking book vehicles
- (II) Trading book vehicles

(c) Retained Interests

(1) Cash and cash equivalents

Include:

- retained interests included in asset 1.

(2) Securities

Include:

- retained interests included in asset 2(b).

(3) Mortgages

Include:

- retained interests included in asset 3(b)

(4) Other Assets

Include:

- retained interests included in asset 3.

(d) Securitized residential mortgages included in securities

Include:

- securitized residential mortgages (bank originated or purchased) included in asset 2.

- (e) Other Securitized assets included in securities
Include:
 - other securitized assets (bank originated or purchased) included in asset 2.

- (2) Selected information to be completed by Foreign Bank Branches only
 - (a) Due from Head Office and related Canadian regulated Financial Institutions
 - (i) Head Office
Include:
 - all amounts due from Head Office and other branches of the same bank included in asset 6(h).
 - (ii) Related Canadian regulated deposit-taking institutions
Include:
 - all amounts due from related Canadian regulated Deposit-Taking Institutions included in asset 6(h).
 - (iii) Related Canadian regulated financial institutions
Include:
 - all amounts due from related Canadian regulated Financial Institutions included in asset 6(h).

 - Other Instructions:
Please refer to the glossary section in this manual for the definition of Deposit-Taking Institutions and Financial Institutions.
 - (b) Claims on residents of the Home Country included in Assets
 - (i) Securities
Include:
 - all securities on residents of the home country included in asset 2(b).
 - (ii) Loans
Include:
 - all loans on residents of the home country included in asset 3.
 - (iii) Other
Include:
 - all other claims on residents of the home country included in assets 1(b), 4 and 6.

- (3) Foreclosed long-lived assets acquired in liquidation of a loan (Report quarterly fiscal only. Monthly reporting between fiscal quarter-ends, is not required.)

General Instructions:

Report the net carrying value under IFRS. For example, this could be the dollar value of loans less write-offs or provisions.

- (a) Real Estate
- (b) Other

- (4) Power of Sale Loans related to Real Estate

General Instructions:

Report dollar value (carrying value) of all Power of Sale loans related to real estate on which notice has been given or further legal action undertaken.

- (5) Par value of holdings of securities issued by the Government of Canada

Include:

- Institution holdings of securities issued directly by the Government of Canada. Amounts to be reported are the par values of the securities held by institutions and all of their consolidated subsidiaries as included in Asset item 2(a) of the monthly balance sheet.

Other instructions:

Trust and Loan companies are not required to submit this line item.

- (6) Unrealized gain/loss on securities held at amortized cost (Report quarterly fiscal only. Monthly reporting between fiscal quarter-ends, is not required.)

Include:

- Net impact of marking to market or marking to model of all securities held at amortized cost including securities held at amortized cost which are classified as Available for Sale.

Exclude:

- All securities held at fair value.

- (7) Assets booked in Canada

General Instructions:

Assets booked in Canada are those transactions with Canadian or foreign customers that are recorded in either Canadian branches, Canadian subsidiaries or Canadian head office accounts. This reflects the bank's operations in Canada. It excludes those transactions of foreign branches or subsidiaries, whether Canadian or foreign customers, that are recorded in their foreign branches or foreign subsidiaries accounts. As an example, loans by Canadian branches or Canadian head offices to resident or non-resident customers are included in booked-in-Canada. Loans by the foreign branch, subsidiary or agency outside Canada, for example, are excluded as they are recorded in the accounts of the branch or agency.

(8) Loans to individuals for non-business purposes (as per Section 1 3(vi))

Report the month-end outstanding balance of loans to individuals for non-business purposes for the following items as reported in Section 1 3(vi).

(a) Personal loan plans

Include:

- loans granted under an institution's personal loan plan (that is loans which are generally available, are made subject to standard terms and conditions and are usually repaid on an installment basis), whether at a fixed or variable rate of interest;
- conditional sales contracts to finance the acquisition of consumer goods and services.

(b) Credit card (interest and non-interest bearing)

Include:

- outstanding balances under a credit card plan if users have established access to credit and outstanding items are not debited to the user's deposit account as in the case of ordinary cheques.

(c) Made under personal lines of credit

Include:

- loans to individuals for non-business purposes which are advanced under pre-arranged lines of credit.

(d) Other personal loans

Include:

- loans on the security of bonds or stocks;
- overdrafts in individuals' deposit accounts under Liability 1(a)(vi) and 1(b)(vi) and overdrafts in tax accounts related to residential mortgages;
- bridge financing loans associated with residential properties;
- government-guaranteed loans made to individuals for non-business purposes, such as Home Improvement Loans under the National Housing Act and Canada Student Loans;
- all other loans to individuals for non-business purposes not included above.

(9) Selected Information on Assets Pledged for Covered Bonds

Covered bonds are debt instruments backed by the assets of the financial institution. Covered bonds are secured by a priority claim on collateral of high quality, on-balance sheet assets. The assets are typically, but not limited to, a pool of prime residential mortgages or public sector debt that remains on the issuer's balance sheet but acts as collateral to "cover" the bonds.

General Instructions:

Report the **month-end** outstanding balances of assets pledged for covered bonds.

- (a) Residential mortgages, insured
– refer to Asset 3 for classification instruction.
- (b) Residential mortgages, uninsured
– refer to Asset 3 for classification instruction.
- (c) Home equity lines of credit (HELOCs)
– refer to Asset 3 for classification instruction.
- (d) Non-residential mortgages
– refer to Asset 3 for classification instruction.
- (e) Assets other than mortgages
– include assets not reported as mortgages.

Assets under Custody (AUC), Assets under Administration (AUA) and Assets under Management (AUM)

General

Reported assets (AUC, AUA and AUM) are beneficially owned by clients and therefore are not reported on the balance sheet of the financial institution. Amounts should be reported in Canadian dollars at market value.

(10) Assets under custody

Include:

- The value of assets held under custody by a "custodian of securities".
- Assets under custody as well as under sub-custody for affiliates or other companies.

Exclude:

- Assets where a value cannot be readily ascribed. (e.g. intangibles, art, private heirloom).

(11) Assets under administration

Include:

- Assets under custody plus the value of assets for which fund accounting/asset record-keeping services are provided, but not custodied.

Exclude:

- On balance sheet securitized assets.

(12) Assets under management

The value of assets for which the FI provides investment management services (decisions when to sell, buy, or leverage the assets)

(13) Items in transit (before netting) included in Cash and Cash Equivalents

- (a) **Of which:** Deposits in transit
Report the gross debit balance (before netting) of all accounts representing items in transit which are specifically related to deposits (e.g. cheques, money orders, etc.).
- (b) **Of which:** Items in transit (other than deposits)
Report the gross debit balance (before netting) of all accounts representing all items in transit other than deposits (e.g. outstanding inter-company and inter-branch transactions).

(14) Home Equity Lines of Credit (HELOCs)

This section provides additional detail on personal lines of credit secured by borrowers' homes, or Home Equity Lines of Credit (HELOC's). These loans are typically comprised of a revolving facility or a combination of revolving and non-revolving (amortizing) facilities tied to a common authorized limit which are secured by a residential property.

- (a) Made under Non-Mortgage Loans to individuals for non-business purposes secured by residential property:
 - (i) Of which: revolving
 - (ii) Of which: non-revolving (amortizing), if applicable.

Include:

- (i) The outstanding revolving components of HELOC's included in fields 1075 and 1076, respectively
- (ii) The outstanding non-revolving (amortizing) components of HELOC's included in fields 1075 and 1076, respectively.

- (b) Made under Mortgages, Residential:
 - (i) Of which: non-revolving (amortizing) that are Insured, if applicable.
 - (ii) Of which: non-revolving (amortizing) that are Uninsured, if applicable.

Include:

- (i) The outstanding non-revolving (amortizing) components of HELOC's included in fields 0539 and 0540, respectively (if applicable) that are Insured.
- (ii) The outstanding non-revolving (amortizing) components of HELOC's included in fields 0541 and 0542, respectively (if applicable) that are Uninsured.

(15) Defined Benefit Pension Plan Assets

Report the fair value of defined benefit plan assets gross of the present value of defined benefit plan obligations.

(16) Booked in Canada selected financial assets (A1b, A2, A3), vis-à-vis non-residents

Reporting of part 16 is only required of internationally active banks and foreign bank branches, where internationally active is defined as banks with positions in any currency vis-à-vis non-residents and/or positions in foreign currency vis-à-vis residents. These lines are intended to compliment the Geographical Distribution of Assets and Liabilities return. The reported values are expected to be consistent with that return and to be completed by the same institutions.

A1b, A2, and A3 refer to items reported in the M4: Asset 1 (b) – Deposits with regulated financial institutions, Asset 2 – Securities, Asset 3 – Loans.

Non-resident banks are defined as institutions that are regarded as banks in the countries in which they are incorporated and supervised.

(17) Non-mortgage loan portfolio

(a) Non-mortgage loans to individuals for non-business purposes

(i) *Of which: secured by residential real property*

Loans secured by residential real property include loans secured wholly or partially by collateral mortgages on residential real property, as well as any rights or interests in these.¹ Examples of loans secured by residential real property include home equity lines of credit (HELOCs).

Real property (or immovable property, in Quebec) means land, including mines and minerals, and buildings, structures, improvements and other fixtures on, above or below the surface of the land, and includes an interest therein.

(ii) *Of which: secured by non-residential real property*

Loans secured by non-residential real property include loans secured wholly or partially by collateral mortgages or charges on land and/or buildings and other structures, as well as any rights or interests in these. Examples of loans secured by non-residential real property include loans secured by corporate real estate.

Real property (or immovable property, in Quebec) means land, including mines and minerals, and buildings, structures, improvements and other fixtures on, above or below the surface of the land, and includes an interest therein.

(iii) *Of which: secured by other than real property*

Secured loans that are not covered in lines 17(a)(i) and 17(a)(ii).

(iv) *Of which: not secured*

Loans that are not secured.

¹ Conventional mortgages on residential property are reported at 3(b)(1)

(b) Non-mortgage loans to individuals and others for business purposes

(i) *Of which: secured by residential real property*

Loans secured by residential real property include loans secured wholly or partially by collateral mortgages on residential real property, as well as any rights or interests in these. Examples of loans secured by residential real property include home equity lines of credit (HELOCs).

Real property (or immovable property, in Quebec) means land, including mines and minerals, and buildings, structures, improvements and other fixtures on, above or below the surface of the land, and includes an interest therein.

(ii) *Of which: secured by non-residential real property*

Loans secured by non-residential real property include loans secured wholly or partially by collateral mortgages or charges on land and/or buildings and other structures, as well as any rights or interests in these. Examples of loans secured by non-residential real property include loans secured by corporate real estate.

Real property (or immovable property, in Quebec) means land, including mines and minerals, and buildings, structures, improvements and other fixtures on, above or below the surface of the land, and includes an interest therein.

(iii) *Of which: secured by other than real property*

Secured loans that are not covered in lines 17(b)(i) and 17(b)(ii).

(iv) *Of which: not secured*

Loan that are not secured.

(18) Impaired assets and allowances (reported quarterly fiscal basis only)

General Instructions:

Report the Gross Impaired Assets, Collective Allowance for Impairment and Individual Allowance for Impairment for each of the categories of assets outlined and described below. Note that recognized items should be included in Gross Impaired Assets while both recognized and unrecognized items should be included in Collective and Individual Allowance.

(a) Mortgage Loans

Include:

- Residential and Non-Residential

(b) Non-mortgage loans excluding credit card loans

Include:

- Non-Mortgage Loans, less the amount included under Credit Card Loans

(c) Credit Card Loans

Refer to Asset (8) "Credit card loans included under Loans to Individuals"

(d) Acceptances

(e) Other

Include:

- Deposits with Regulated Financial Institutions, Securities, All other assets not listed above upon which impairment or allowance may be established

(f) Total

Report the total for each of Gross Impaired Assets, Collective and Individual Allowance for Impairment.

LIABILITIES

General Instructions:

Include in the appropriate deposit category, liabilities of subsidiaries that are similar in nature and characteristics to, and that, if issued by the institution, would rank equally with deposit liabilities of the institution.

Liabilities of subsidiaries other than those reported under Liability 1 or 2 and other than those that by their nature should be reported under Liability 6(a) or 6(b) are to be reported under Liability 6(c) to 6(k).

Deposits from an associated corporation that is a foreign deposit-taking institution are to be reported under Liability 1(c) or 2(c), as appropriate, and deposits from any other associated corporation are to be reported under Liability 1(e) or 2(e), as appropriate.

Except where offset is provided for in these Instructions, overdrafts in Liability 1 are to be included in the appropriate asset category.

Debit items should not be used to reduce reported deposit liabilities unless the charge has been shown in the customer's account as of the same date.

SECTION II - LIABILITIES

L 1 Demand and Notice Deposits

(a) Federal and Provincial

Include deposits of:

- Receiver General for Canada;
- Armed Forces paymasters;
- collectors of customs;
- custodian of enemy property;
- departmental imprest accounts;
- Provinces;
- Territories of Canada.

Other Instructions:

Deposits of government boards, corporations and commissions that are separately constituted and carry on business enterprises are to be reported under Deposits - Others, as appropriate.

(b) Municipal or school corporations

Include demand and notice deposits of:

- all emanations of municipal governments that do not have their own borrowing authority.

(c) Deposit-taking Institutions

Include:

- deposits of Canadian and foreign deposit-taking institutions and official monetary institutions;
- overdrafts in deposit accounts with deposit-taking institutions.

Other Instructions:

Settlements due to deposit-taking institutions are to be reported under Asset 6(a) or Liability 3.

(d) Individuals

(i) Tax Sheltered

Include:

- notice deposit balances of individuals tax-sheltered under the Canadian Income Tax Act (RRSPs, RIFs, etc.).
- Tax Free Savings Accounts (TFSA)

(ii) Other

Include:

- deposit balances of individuals in single or joint names;
- free credit balances of individuals on the books of investment dealer subsidiaries;
- accounts of estates of individuals;
- accounts of companies or persons, acting as trustees, if the institution has written evidence that the account represents trust funds of individuals or estates of individuals;
- credit balances of individuals in property tax accounts.

Exclude:

- accounts of individuals, if it is known that the funds belong to other than those listed above.

(e) Others

Include:

- other free credit balances payable on the books of investment dealer subsidiaries;
- accounts of firms, business partnerships and personal corporations;
- accounts of pension funds;
- accounts of religious, charitable, fraternal, labour, recreational, educational and welfare organizations, institutions and corporations;
- non-individual credit balances in property tax accounts;
- accounts of firms, business partnerships and personal corporations;
- accounts of pension funds;
- accounts of religious, charitable, fraternal, labour, recreational, educational and welfare organizations, institutions and corporations;
- non-chequable notice deposits not reported elsewhere.
- deposits not reported elsewhere.

L 2 Fixed-Term Deposits

(a) Federal and Provincial

Include fixed-term deposits of:

- Receiver General for Canada;
- Armed Forces paymasters;
- collectors of customs;
- custodian of enemy property;
- Provinces;
- Territories of Canada.

Other Instructions:

Deposits of government boards, corporations and commissions that are separately constituted and carry on business enterprises are to be reported under Deposits - Others, as appropriate.

(b) Municipal or school corporations

Include fixed-term deposits of:

- all emanations of municipal governments that do not have their own borrowing authority;

(c) Deposit-taking Institutions

Include:

- term notes registered in the name of Canadian and foreign deposit-taking institutions and official monetary institutions;
- advances from central banks outside Canada.

(d) Individuals

(i) Tax-sheltered

Include:

- fixed-term deposit balances of individuals tax-sheltered under the Canadian Income Tax Act (RRSPs, RIFs, etc.).
- Tax Free Savings Accounts (TFSA)

(ii) Other

Include:

- term notes registered in the name of individuals in single or joint names;
- term notes registered in the name of estates of individuals;
- term notes registered in the name of companies or persons, acting as trustees, if the institution has written evidence that the account represents trust funds of individuals or estates of individuals.

Exclude:

- accounts of individuals, if it is known that the funds belong to other than those listed above.

(e) Others

Include:

- all bearer deposit notes and other negotiable fixed-term notes;
- accounts of firms, business partnerships and personal corporations;
- accounts of pension funds;
- accounts of religious, charitable, fraternal, labour, recreational, educational and welfare organizations, institutions and corporations;
- term notes and other deposit instruments issued by the institution not reported elsewhere.

L 3 Cheques and Other Items in Transit

Include:

- For items that meet the criteria for offsetting in accordance with IFRS, report the net balance (when that balance is a credit) of transit items;
- if the foreign currency items in transit are a debit, although the total transit figure is a credit, report the foreign currency debit amount with a minus sign.

L 4 Advances From the Bank of Canada

Include:

- all advances from the Bank of Canada.

(a) Of which are advances from the Standing Liquidity Facility (SLF)

Include:

- Only include advances from the Bank of Canada's Standing Liquidity Facility which provides collateralized overnight loans to direct participants in the Large Value Transfer System (LVTS).

L 5 Acceptances

Refer to Asset 4.

Include:

- acceptances of the institution purchased and resold;
- acceptances of the institution that have not been purchased.

Exclude:

- acceptances of the institution that have been purchased and held by the institution. Report these under Asset 3(a)(viii).

L 6 Other Liabilities

(a) Liabilities of Subsidiaries, Other Than Deposits

(i) Call and Other Short Loans Payable

Include:

- call and other short loans payable secured by securities which, when made, were payable on call or within 90 days;
- sight drafts with securities attached;
- daylight overdrafts outstanding.

(ii) Other

Include:

- bonds, debentures and other similar forms of debt instruments;
- liabilities of subsidiaries not included elsewhere (see general instructions to liabilities section).

(b) Insurance-Related Liabilities

Include:

- actuarial liabilities related to insurance products of subsidiary companies.
- actuarial liabilities related to annuity products of subsidiary companies.
- deferred gains or losses on disposal of portfolio investments (also referred to as adjustment in respect of unamortized gains or losses on investments) if the net balance is a credit.
- other insurance-related liabilities not reported elsewhere, including provisions for policyholder dividends and provisions for Experience Rating Refunds.

(c) Accrued Interest

Include:

- accrued interest on deposits (Liabilities 1 and 2);
- accrued interest on subordinated debt (Liability 9);
- accrued interest on other liabilities as appropriate (Liability 6).

Other instructions:

Accrue interest to date on deposit liabilities on a monthly basis or accrue to the most recent quarter-end of the financial year, provided that the institution follows a consistent policy in this regard. The appropriate rate to be used when accruing interest on deposit instruments should be the effective rate if outstanding to maturity.

(d) Mortgages and Loans Payable

Include:

- associated liabilities resulting from failure to achieve derecognition of financial assets.

Other Instructions:

Refer to Section II – Memo Items 3.

(e) Income Taxes

(i) Current

Include:

- estimated accrual to date of income taxes payable for the current year.

(ii) Deferred

Include:

- future taxes if balance is credit.

(f) Obligations Related to Borrowed Securities

Include:

- any liabilities related to borrowed securities (securities sold short).

(g) Obligations Related to Assets Sold Under Repurchase Agreements

Include:

- liabilities incurred under sale and repurchase agreements.
- Section (g) captures all obligations related to assets sold under repurchase agreements with all counter parties.

(i) Of which obligations are to the Bank of Canada or other organizations of the federal government.

Include:

- Repurchase agreement obligations with a counterparty that is a Canadian federal government organization including: all branches of the federal government, the Bank of Canada, CMHC, CDIC and federal enterprises in the Government Business Enterprise listing (GBE). Obligations only refer to counterparty obligations not obligations related to issuing underlying assets.

(A) Of which are overnight and term repos with the Bank of Canada

(B) Of which are repos with the Receiver General

(C) Of which are repos with CHT on behalf of a third party

(D) Of which are other repo transactions with organizations of the federal government

(ii) Of which are repos with Federal and Provincial public pension plans (CPP and QPP):

Only include Canada Pension Plan (CPP) managed by Canada Pension Plan Investment Board and Quebec Pension Plan (QPP) managed by Caisse de dépôt et placement du Québec (CDPQ). Do not include pension plans of public sector employees.

(h) Deferred Income

Include:

- deferred fees, commission and other revenues;
- deferred servicing fee
- income on mortgage-backed securities and other securitized assets;
- unearned safety deposit box rentals and safekeeping charges;
- other unearned income, except pre-computed interest on loans.

(i) Derivative Related Amounts

Include:

- amounts relating to derivative instruments, including unrealized losses (gains are to be offset against losses), deferred unrealized gains relating to reserves for credit and market risks and administration costs etc., and premiums received. Offsetting is only permissible in accordance with IFRS.

Exclude:

- for Foreign Bank Branches only, derivative related amounts with head office, or other branches of the same bank (see Liability 6(j)).

(j) Due to Head Office and related Canadian regulated Financial Institutions (to be completed by Foreign Bank Branches only)

General Instructions:

Report on a gross basis:

- a) Netting of assets and liabilities is only permissible in accordance with IFRS; and
- b) Amounts “due to/from” one branch cannot be used to offset amounts “due to/from” either head office or another branch of the same bank.
- c) Unless there is a netting arrangement in place, it is possible to have both an asset and a liability with another branch.

Include:

- amounts due to head office, other branches of the same bank and related Canadian regulated financial institutions.

Other Instructions:

Amounts due to foreign affiliates of the bank should be treated as third party liabilities and reported separately in the appropriate balance sheet line items.

The sum of the amounts reported on liability memo item lines 2(a)(i), (ii) and (iii) must equal the total amount reported in liability 6(j).

(k) Other

Include:

- foreign note circulation outstanding;
- dividends accrued and payable and estimated accrual-to-date of the dividend for the current quarter;
- contributions of institution and staff payable to Unemployment Insurance Fund;
- unamortized premiums on subordinated debt outstanding;
- income taxes withheld from staff salaries, directors' fees, dividends, etc.;
- present value of the defined benefit obligation
- estimated accrual-to-date of contributions, current and arrears, payable to the pension fund and other termination benefits for the current year;
- interim net profit or loss of financial period if it has not yet been debited or credited to retained earnings;
- gold and silver certificates;
- capital leases;
- allowance for impairment applicable to off-balance sheet items;
- accrued expenses and salaries and accounts payable;

- liability for assets sold with recourse;
- financial instruments that relate to amounts reported as Tier 1 Capital in the BCAR but accounted for as liabilities. Include only preferred shares and amounts related to innovative tier 1 structures grandfathered under OSFI July 2003 and/or February 2004 Advisories.

L 7 Subordinated Debt

Include:

- debentures;
- subordinated notes.

Other Instructions:

Report all amounts at par.

Unamortized discounts, if any, are to be reported under Asset 6.

Unamortized premiums, if any, are to be reported under Liability 6.

L 8 Shareholders' Equity

(a) Preferred Shares

Include:

- preferred shares issued by the institution.

(b) Common Shares

Include:

- common shares issued by the institution.

(c) Contributed Surplus

Include:

- premium on issues of shares less any payments of premium on redemption;
- capital contributions by shareholders without the issuance of shares.

(d) Retained Earnings

Include:

- interim profit (loss) not less frequently than at the end of each financial quarter.

Note: Do not report foreign currency split for retained earnings. The entire balance of the amount is deemed to be Canadian currency.

(e) Non-controlling Interests

Include:

- non-controlling interests arising from the consolidation of subsidiaries which are not 100% owned.

(f) Accumulated Other Comprehensive Income (Loss)

Include:

- Report Accumulated Other Comprehensive Income (Loss) as required.
- For quarterly fiscal reporting, this amount ties to the total reported in Section IV “Comprehensive Income”, Schedule 2 “Accumulated Other Comprehensive Income (Loss), Net of Income Taxes” in the P3 “Consolidated Statement of Income, Retained Earnings and AOCI”.

MEMO ITEMS

(1) Allowance for Impairment on Unrecognized Items Included in Other Liabilities

Include:

- the total amount of allowances for impairment, individual and other, on unrecognized items included in Liability 6.

(2) Selected information to be completed by Foreign Bank Branches only

(a) Due to Head Office and related Canadian regulated Financial Institutions

(i) Head Office

Include:

- all amounts due to Head Office and other branches of the same bank included in liability 6(j).

(ii) Related Canadian regulated deposit-taking institutions

Include:

- all amounts due to related Canadian regulated Deposit-Taking Institutions included in liability 6(j).

(iii) Related Canadian regulated financial institutions

Include:

- all amounts due from related Canadian regulated Financial Institutions included in liability 6(j).

(3) Mortgages and Loans Payable

(a) Mortgages and Loans Payable

(b) Of which:

(i) Securitization Notes Payable (Institutions Own Assets)

Include:

- Liabilities related to securitized assets (bank originated and assets purchased) reported on financial institution balance sheet under Liabilities 6(d).

(A) Mortgages

- report the liabilities that are related to securitized mortgage assets.

- (B) Other Assets
 - report the liabilities that are related to other securitized assets.

(ii) Securitization Notes Payable (third party assets)

Include:

- Liabilities related to securitized assets (third party originated) reported on financial institution balance sheet under Liabilities 6(d).

- (A) Mortgages
 - report the liabilities that are related to third party securitized mortgage assets.

- (B) Other Assets
 - report the liabilities that are related to other third party securitized assets.

(4) Select information on covered bonds liabilities

Report the **month-end** outstanding balances of liabilities recorded as deposits or other liabilities.

- (a) Recorded as deposit liabilities
 - refer to L1 and L2 for classification instruction.
- (b) Recorded in liabilities other than deposits.
 - include liabilities not reported as deposits.

(5) Deposits obtained through agents (as of reporting date)

Report the amount of brokered deposits (or deposits obtained through agents) that is outstanding as of the end of the reporting period. Report all deposits obtained through agents/brokers. This amount must equal the deposit amount reported on datapoint 6984 of the Deposit Liabilities (K4) Report.

(6) Items in transit (before netting) included in Cheques and other items in transit

- (a) **Of which:** Deposits in transit
 - Report the gross credit balance (before netting) of all accounts representing items in transit which are specifically related to deposits (e.g. cheques, money orders, etc.).
- (b) **Of which:** Items in transit (other than deposits)
 - Report the gross credit balance (before netting) of all accounts representing all items in transit other than deposits (e.g. outstanding inter-company and inter-branch transactions).

When combined together, these four items (items in transit under Memo Items – Assets and items in transit under Memo Items – Liabilities) correspond to the net balance of all items in transit included in Cash and Cash Equivalent on the asset side of the balance sheet (when such net balance is a debit) or to the net balance of all items in transit included in Cheques and Other Items in Transit on the liabilities side of the balance sheet (when such balance is a credit), in accordance with offsetting criteria set out in IFRS.

(7) Defined Benefit Pension Plan Obligation

Report the present value of defined benefit plan obligations gross of the fair value of defined benefit plan assets.

(8) Booked in Canada deposits, vis-à-vis non-residents

Reporting of part 8 is only required of internationally active banks and foreign bank branches, where internationally active is defined as banks with positions in any currency vis-à-vis non-residents and/or positions in foreign currency vis-à-vis residents. These lines are intended to compliment the Geographical Distribution of Assets and Liabilities return. The reported values are expected to be consistent with that return and to be completed by the same institutions.

Non-resident banks are defined as institutions that are regarded as banks in the countries in which they are incorporated and supervised.

(9) Liabilities resulting from extraordinary Bank of Canada operations

Report liabilities incurred as a result of extraordinary Bank of Canada operations. Examples include operations from the 2007-2009 period such as: the term loan facility, the term PRA facility (not term PRA's for balance sheet management), and the term PRA for private sector instruments. This line should be reported as zero by all institutions for the foreseeable future.

SECTION III – FINANCIAL INSTRUMENTS

PURPOSE

The purpose of this return is to provide supplementary information on the impacts of IFRS. It requires certain assets and liabilities, as reported in Section I and Section II of the M4, to be presented in accordance with classifications.

GENERAL INSTRUCTIONS

(Report quarterly fiscal only. Monthly reporting between fiscal quarter-ends, is not required. Deposit taking institutions that are subsidiaries of federally regulated Banks, Trust or Loan companies, are not required to complete Section III.)

Within each asset and liability category listed in Section III, institutions are required to separate out those items held at amortized cost from those items measured at fair value. The total Balance Sheet amount of assets and liabilities measured at amortized cost are to be reported in the corresponding cell located the column „Held at Amortized Cost“. Similarly, for assets and liabilities measured at fair value, report the total Balance Sheet amount within the appropriate fair value classification columns of „Held for Trading“, „Available for Sale“, „Fair Value Hedges“, „Cash Flow Hedges“, and/or „Fair Value Option“. The line totals appearing in the column „Total“ for each category of asset and liability listed in Section III, except for „Other Assets“ and „Other Liabilities“, must equal the totals for these same asset and liability categories reported in Section I and Section II of the M4.

The “Total” for each category of assets and liabilities should be reported by valuation methodology of quoted price, pricing models with observable parameters, pricing models with significant unobservable parameters, other method and in the appropriate fair value classification columns of „Held for Trading“, „Available for Sale“, and „Fair Value Option“.

Other Instructions

Column ‘Held for Trading’

- Report the Balance Sheet value of assets and/or liabilities classified as Held for Trading.

Column ‘Available for Sale’

- Report the Balance Sheet value of assets classified as Available for Sale. Items which are classified as Available for Sale but are measured at amortized cost are to be recorded in this column.
- Liabilities are not permitted to be classified as Available for Sale in accordance with IFRS.
- Amounts reported in the column „Available for Sale“ are to be shown net of any impairment.

Column ‘Fair Value Hedges’

- For a Fair Value Hedge, report the Balance Sheet value of both the hedged item and the hedging derivative in this column according to the appropriate asset and/or liability category presented. The entire position accounted for as a Fair Value Hedge is to be reported in this column.

Column ‘Cash Flow Hedges’

- The fair value of derivatives used to hedge cash flows are to be reported in this schedule in line A6 „Other Assets“ and/or L4 „Other Liabilities“.

Column ‘Fair Value Option’

- Report the Balance Sheet value of financial instruments which are managed together on a fair value basis and which are designated as Held for Trading (“Fair Value Option”) in accordance with IFRS and with OSFI’s Accounting Guideline D-10 “Accounting for Financial Instruments Designated as Fair Value Option”.

Column ‘Gain/(Loss) Fair Value Option’

- Report the before tax year-to-date realized and unrealized gain/(loss) recorded in earnings for each category of assets and liabilities classified under the „Fair Value Option“ column.

A6 Other Assets & L4 Other Liabilities

- Report only those assets and liabilities affected by the Financial Instruments standard and classified as Other Assets or Other Liabilities. This should only include derivative related amounts.

Lines ‘Realized and Unrealized Gain/(Loss) from Fair Value Hedges and Fair Value Option’

- Report the before tax year-to-date total realized and unrealized gain/(loss) recorded in earnings arising from all assets and liabilities classified as „Fair Value Hedges“.
- Note, the amount reported for Fair Value Option should reflect the net realized and unrealized gain/(loss) arising from financial instruments which are managed together on a fair value basis. This amount should tie to the sum of items contained in the column “Gain/(Loss) Fair Value Option”.
- The amount reported for Fair Value Hedges should only represent any ineffectiveness arising from marking to market hedging items and hedged items which are designated in fair value hedging relationships.

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
1	November 1997	5, 29	<u>Add:</u> ♦ Liabilities side: - Memo item #3, "Electronic Cash Cards"
2	November 1998	3, 18, 19	<u>Add:</u> ♦ Asset side: - Memo item #3, "Securitized Assets"
3	January 2000	1	<u>Add:</u> ♦ Section 600 of the Bank Act (applies to Foreign Bank Branches) ♦ Information on disclosure <u>Change:</u> ♦ Section 523 of the Bank Act is now Section 628 ♦ The Bank of Canada Review is now called: Bank of Canada Banking and Financial Statistics
		7	<u>Change:</u> ♦ Items to be included in the Deposits with Bank of Canada (Asset 4)
		3, 16, 20	<u>Add:</u> ♦ Asset side: Due from Head Office and related Canadian regulated Financial Institutions (Asset 16(f)) and Memo Item 4, Selected information to be completed by Foreign Bank Branches only
		3, 17	<u>Change:</u> ♦ Asset 16 (f) to 16 (g)
		5, 29, 31, 32	<u>Add:</u> ♦ Liability side: Due to Head Office and related Canadian regulated Financial Institutions (Liability 9(h)) and Memo Item 4, Selected information to be completed by Foreign Bank Branches only.
		5, 29	<u>Change:</u> ♦ Liability 9(h) to 9(i)
4	January 2001	3, 5, 16, 29	<u>Change:</u> ♦ The wording for "Deferred taxes" has been changed to "Future taxes" (as per CICA Section 3465).
5	January 2002	13	<u>Add:</u> ♦ 11(f) was added to ensure consistency in the reporting of collateral mortgages.
6	January 2003	1	<u>Change:</u> ♦ Ivation Data Systems Inc. to Beyond 20/20 Inc. <u>Delete:</u> ♦ Bank of Canada from "Where to submit"
		16, 29	<u>Add:</u> ♦ (e) Exclude reference

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
		17, 30	<u>Add:</u> ♦ (f) General Instructions ♦ (f) Other Instructions
		20, 32	<u>Add:</u> ♦ (i) – and other branches of the same bank <u>Delete:</u> ♦ First line under Other Instructions (4)(a)
7	January 2004	1	<u>Add:</u> ♦ Address for OSFI Website <u>Delete:</u> ♦ Reference to Beyond 20/20
		16	<u>Change:</u> ♦ Other instructions for Goodwill and Other Intangibles
8	January 2005	2, 16	<u>Change:</u> ♦ Goodwill and Other Intangibles has been changed to Goodwill <u>Add:</u> ♦ Intangibles with definite/indefinite lives
		3, 20, 21	<u>Add:</u> ♦ 5 (a) & (b) Foreclosed long-lived assets „Held for sale” and „Held for own use”. (Reported Quarterly Fiscal only)
		5, 31	<u>Add:</u> ♦ 12 (c) Foreign Currency Translation Adjustments
		5, 32	<u>Add:</u> ♦ Memo item 5, Guarantees (Maximum potential amount of future payments, report quarterly fiscal only)
		6	<u>Delete:</u> ♦ Paragraph 6
		12, 14	<u>Delete:</u> ♦ 11(h), 12(b) Inclusion of real estate acquired in the liquidation of a loan
		17	<u>Change:</u> ♦ Real estate acquired in the liquidation of a loan has been changed to Foreclosed real estate and other long-lived assets acquired in the liquidation of a loan
		18	<u>Change:</u> ♦ Debentures has been changed to Subordinated debts
		19	<u>Change:</u> ♦ Third Party Assets – Institution administered has been changed to Third Party Assets – Institution sponsored/administered
		30	<u>Add:</u> ♦ “and other termination benefits” to fifth bullet under L9(d) Other ♦ financial instruments that relate to amounts reported as Tier 1 Capital....

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
9	January 2006	2, 5, 9, 30	<u>Delete:</u> ♦ (net) from Cheques and other items in transit <u>Change:</u> ♦ Instructions for Cheques and other items in transit
		3, 4, 21, 22, 24,	<u>Add:</u> ♦ On-balance sheet securitizations to Memo item 3 ♦ Synthetic securitizations to Memo items 3 (a) (i) and (ii) ♦ Retained interests to Memo item 3 ♦ Par Value of holdings of securities issued by the Government of Canada, Memo item 6 ♦ Unrealized gain/loss on investment book securities (report quarterly fiscal only), Memo item 7
		6, 35	<u>Delete:</u> ♦ Guarantees, Memo item 5
		10, 11	<u>Add:</u> ♦ Retained interests to Asset 10 ♦ Other instructions for Asset 10
10	November 2006 for October Year end DTI's and January 2007 for December Year end DTI's.	3, 21, 22, 37	<u>Change:</u> ♦ On balance sheet and Off balance sheet to Recognized and Unrecognized.
		6, 36	<u>Delete:</u> ♦ Foreign currency translation adjustment <u>Add:</u> ♦ Accumulated other comprehensive income
		7, 38	<u>Add:</u> ♦ Section III, Financial Instruments
		10	<u>Change:</u> ♦ Securities held for Investment Account to Securities held at Amortized Cost and instructions ♦ Securities held for Trading Account to Securities Held at fair value and instructions <u>Delete:</u> ♦ Wording (reported at amortized cost) under Asset 5
		10, 32	<u>Change:</u> ♦ Instructions for Cheques and other items in transit
		12	<u>Change:</u> ♦ Other instructions for Asset 10 (a) ♦ Instructions for Fixed term equity securities held at amortized cost.
		19	<u>Change:</u> ♦ CICA 3860.34 to CICA Handbook S.3861 for Asset 16 (f) and (g)
		25	<u>Change:</u> ♦ Investment Book Securities to Securities held at Amortized Cost for Asset Memo item 7 and instructions ♦ Trading Book Securities to Securities held at fair value
		34, 35	<u>Change:</u> ♦ CICA 3860 to CICA Handbook S.3861 for Liability 9(g) and (h)

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
11	November 2007 for October Year end DTI's and January 2008 for December Year end DTI's.	6	<u>Change:</u> ♦ Off-balance sheet to unrecognized
		15	<u>Add:</u> ♦ Other instructions
		39	<u>Change:</u> ♦ Instructions under A6 Lines „Realized and Unrealized Gain/(Loss) from Fair Value Hedges and Fair Value Option“
12	January 2009	2 to 31	Significant changes were made to these instructions due to Data Rationalization. Please note that the copy of the return template has been deleted from these instructions and has been posted as a separate item on OSFI's website.
13	January 2010	9, 10	<u>Add:</u> ♦ Instructions re Reverse mortgages
		10	<u>Add:</u> ♦ (B) Of which: NHA MBS reported as mortgages
		14	<u>Delete:</u> ♦ Instructions under (1) Allowance for Impairment
		16, 17	<u>Add:</u> ♦ (B) Synthetic securitizations
		17	<u>Add:</u> ♦ (d) Securitized residential mortgages (bank originated assets) included in securities ♦ (e) Securitized residential mortgages (third party assets) included in securities
		19	<u>Add:</u> ♦ (8) Credit card loans included under Loans to Individuals ♦ (9) Selected Information on Assets Pledged for Covered Bonds
		20	<u>Add:</u> ♦ (10) Impaired assets and allowances
		22, 24	<u>Change:</u> ♦ Municipal and school corporations to Municipal or school corporations
		30	<u>Add:</u> ♦ (3) Select information on covered bonds liabilities
		31	<u>Add:</u> ♦ Additional instructions under General Instructions
14	January 2011	2, 3, 4, 5, 6, 11, 13, 14, 17, 19, 22, 25, 27, 29, 30, 32, 33, 34	Multiple changes were made to the instructions to accommodate IFRS.
		8, 9	<u>Add:</u> ♦ (A) of which: secured by residential property ♦ (B) of which: secured by other than residential property
		20, 21	<u>Change:</u> ♦ 8) Credit card loans included under Loans to Individuals changed to 8) Loans

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
			to individuals for non-business purposes
15	January 2012	2, 3, 4, 5, 13, 14, 17, 20, 24, 29, 31, 32, 34, 36, 37	<u>Change:</u> ♦ IFRS related instructions/references <u>Deletion:</u> ♦ CGAAP specific instructions and references
		10	<u>Change:</u> ♦ (B) Of which: NHA MBS changed to (B) Of which: NHA MBS pooled and unsold and related instructions
		15, 16	<u>Add:</u> ♦ General Introduction under (a) Unrecognized ♦ (VII) Of which: NHA MBS pooled and sold
		17, 18	<u>Add:</u> ♦ General Introduction under (b) Recognized ♦ (VII) Of which: NHA MBS pooled and sold
		18	<u>Change:</u> ♦ Instructions under (c) Retained Earnings ♦ Instructions under (d) Securitized residential mortgages included in securities
		19	<u>Add:</u> ♦ (e) Other Securitized assets included in securities <u>Delete:</u> ♦ (f) Securitized residential mortgages (third party assets) included in securities
		22	<u>Add:</u> ♦ (c) Home equity lines of credit (HELOCs)
		23	<u>Add:</u> ♦ Assets under Custody (AUC), Assets under Administration (AUA) and Assets under Management (AUM)
		33	<u>Delete:</u> ♦ L7 Non-controlling interest in subsidiaries
		35	<u>Add:</u> ♦ (3) Mortgages and loans payable ♦ (5) Deposits obtained through agents (as of reporting date) ♦ (6) Items in transit (before netting) included in Cheques and other items in transit
16	January 2013	4	<u>Delete:</u> ♦ (c) Total Cash and Cash Equivalents and related instructions
		6	<u>Delete:</u> ♦ (c) Total Investments and related instructions
		11	<u>Delete:</u> ♦ (c) Total Loans and related instructions
		14	<u>Add:</u> ♦ Instructions under (j) Other <u>Delete:</u> ♦ (k) Total Other Assets
		24	<u>Add:</u> ♦ (14) Home Equity Lines of Credit (HELOCs)

CHANGE CONTROL LOG			
Amendment Number	Effective Reporting Date	Page Number	Description
			♦ (15) Defined Benefit Pension Plan Assets
		27	Delete: ♦ (f) Total Demand and Notice Deposits and related instructions
		29	Delete: ♦ (f) Total Fixed Term Deposits and related instructions
		30, 31	Add: ♦ Instructions under (d) Mortgages and Loans Payable
		32	Add: ♦ Instructions under (k) Other Delete: ♦ (l) Total Other Liabilities and related instructions
		35	Change: ♦ Instructions under (3) Mortgages and Loans Payable
		36	Delete: ♦ CGAAP related instructions under (6) Items in transit (before netting) included in Cheques and other items in transit Add: ♦ (7) Defined Benefit Pension Plan Obligation
17	January 2014	13	Change: ♦ Instructions under (g) Derivative Related Amounts
		31	Change: ♦ Instructions under (i) Derivative Related Amounts
		35	Change: ♦ Instructions under (5) Deposits obtained through agents (as of reporting date)
18	January 2015	23	Add: ♦ Instructions under (16) Booked in Canada selected financial assets Change: (iii) Renumbering „Impaired assets and allowances“ from (16) to (17)
		29	Change: ♦ Instructions under (4) Advances from the Bank of Canada
		31	Add: ♦ Instructions under (g)(i) Of which obligations are to the Bank of Canada or other organizations of the federal government
		36	Add: ♦ Instructions under (8) Booked in Canada deposits, vis-à-vis non-residents ♦ Instructions under (9) Liabilities resulting from extraordinary Bank of Canada operations
19	January 2017	24, 25	Add: ♦ Instructions under (17) Non-mortgage Loan Portfolio
		32	Add: ♦ Instructions under (g) Obligations Related to Assets Sold Under Repurchase Agreements