

## Differential Premiums Manual

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## INTRODUCTION

The *Canada Deposit Insurance Corporation* (CDIC) shall for each premium year assess and collect from each member institution an annual premium not exceeding the maximum annual premium set out in the CDIC Act. This manual describes the process CDIC uses to determine each member's classification and sets out the applicable filing requirements in support of this process.

The *CDIC Differential Premiums By-law* ("By-law") establishes a system of classifying member institutions into five different categories, fixes the annual premium applicable to each category, sets out the various information that must be provided to CDIC for the purposes of classifying member institutions, and sets the criteria or factors to be taken into account in determining the category classification, as summarized below.

Summary of Criteria or Factors and Scores			
Criteria or Factors			Maximum Score
Quantitative:			
1.6 Capital Adequacy - Leverage Ratio			10
1.7 Capital Adequacy - Tier 1 Capital Ratio			10
2. Return on Risk-Weighted Assets			5
3. Mean Adjusted Net Income Volatility			5
4. Stress-Tested Net Income			5
5. Efficiency Ratio			5
6. Net Impaired Assets to Total Capital			5
7. Three-Year Moving Average Asset Growth			5
8. Real Estate Asset Concentration (Non-DSIBs only)			5
8-1. Asset Encumbrance Measure (DSIBs only)			5
9. Aggregate Commercial Loan Concentration Ratio			5
Sub-total: Quantitative Score			60 <sup>1</sup>
Qualitative:			
Examiner’s Rating (ER) is the rating assigned by the examiner of the member as of April 30 of the filing year, as follows.			35
Overall Risk Rating (ORR)	Examiner Rating	DP Score	
1	= 1	35 points (max)	
2, 3 & 4	= 2	31 points	
5	= 3	21 points	
6	= 4	11 points	
7 & 8	= 5	0 points	
Other Information about circumstances that represent a threat to or compromise the safety, soundness, financial condition or viability of the institution			5
Sub-total: Qualitative Score			40
Total Score			100

<sup>1</sup> Category III Small and Medium-Sized Deposit-Taking Institutions (SMSBs) will receive a quantitative score out of a maximum of 45 points instead of the maximum 60 points. To assign a total quantitative score, a Category III SMSB's score out of 45 points will be proportionally converted to a score of 60 points.

The following table sets out the relationship between a member institution's score, premium categorization, and the applicable premium rates.

Premium Categories and Rates		
Score	Premium Category	Premium Rate (basis points % of insured deposits)
		<b>2025</b>
≥ 90	1	7.5
≥ 80 and < 90	2	9.0
≥ 65 and < 80	3	13.5
≥ 50 and < 65	4	24.3
< 50	5	33.3

CDIC will advise each member institution by written correspondence of its score, categorization and premium rate no later than July 15<sup>th</sup> of each premium year.

Pursuant to subsection 10.1(1) of the *Deposit Insurance Policy By-law*, a member institution shall not, directly or indirectly, disclose the category in which the member institution is classified, the premium rate assigned to the member institution, any score assigned to a member institution, the examiner's rating, and any other information that is given to the member institution with respect to qualitative factors or criteria that would, in itself or pieced together with other information, enable the determination of the score assigned to the member institution in respect of any of those qualitative factors or criteria.

Questions relating to the By-law, the Differential Premiums Form (DPF), or this manual may be directed to:

Differential Premiums By-law	Technical Support
Asia Yufit Senior Compliance Officer, Insurance <a href="mailto:members@cdic.ca">members@cdic.ca</a>	Kevin Laporte Director, Business Intelligence and Data Analytics, Risk Assessment <a href="mailto:klaporte@cdic.ca">klaporte@cdic.ca</a>

## UPDATES IN RESPECT OF THE 2025 PREMIUM YEAR

The 2025 DPF updates reflect changes made to the Differential Premiums By-law (the By-law) and some editorial changes (e.g. date references). Specifically, please note the following:

- Premium Categories were expanded from four to five categories to improve differentiation of the members based on the relative risks they pose to CDIC.
- To align with changes made by OSFI in respect of the regulatory filing requirements for Category III Small and Medium-Sized (SMSB) member institutions, amendments were made to the By-law to clarify the financial information that should be reported to CDIC by these members:
  - Category III SMSBs must enter “0” for elements 1.1 Leverage Ratio (%) and 1.2 Authorized Leverage Ratio (%) and will receive “N/A” as its score for element 1.6 Leverage Ratio Score.
  - Category III SMSBs must enter “0” for element 2.1 Net Income or Loss and will receive “N/A” as its score for element 2.4 Return on Risk-weighted Assets Score.
  - CDIC will apply the score from the remaining quantitative measures to determine the Category III SMSB's total quantitative score, pursuant to the Differential Premiums By-law.
- Numerical and language changes to Table 6A – Impaired Off-balance Sheet Assets and Table 6B – Impaired OTC Derivative Contracts to align with updates to OSFI's BCAR return.
- Clarification on the Net Impaired Assets to Total Capital score when element 6 results in a negative value.

## BY-LAW FILING REQUIREMENTS

### A. DIFFERENTIAL PREMIUMS FORM (DPF)

The DPF sets out the information required to calculate a member institution's score for the quantitative factors. The DPF is available in the Regulatory Reporting System (RRS) and is titled CDIC- DPF. The DPF includes a certification that the DPF is completed in accordance with the By-law and contains correct information. An annotated DPF is provided in Annex A.

Each member institution must file a DPF by April 30<sup>th</sup> of the filing year unless the member is:

- a “New Member”, i.e., if the member institution has been operating as a member institution for less than two fiscal years consisting of at least 12 months each determined as of the end of the fiscal year ending in the year preceding the filing year;

- a subsidiary of a member institution (unless the parent member is a New Member<sup>2</sup>); or
- a bridge institution.

Each New Member is required by virtue of Paragraph 7(1)(b) of the By-law to file a “New Member Institution Declaration” (see Annex B) by April 30<sup>th</sup> of the filing year, unless:

- The member is a subsidiary of a member that has been operating as a member for at least two fiscal years of 12 months ending in the year preceding the filing year;
- The member has a subsidiary that is a member that has been operating as a member for at least two fiscal years of 12 months ending in the year preceding the filing year;
- The member has been formed by the amalgamation of one or more members, any one of which has been operating as a member for at least two fiscal years of 12 months ending in the year preceding the filing year; or
- The member is a bridge institution.

By means of the “New Member Institution Declaration”, the member certifies that it meets the conditions to be classified as a new member institution in accordance with Subsection 7(1) of the By-law in premium category 1.

## **B. DPF SUPPORTING DOCUMENTATION**

Pursuant to Section 15 of the By-law, the information contained in the DPF must reconcile with audited financial statements prepared in accordance with the International Financial Reporting Standards.

Each member institution that is required under the By-law to file a DPF is also required to file, in conjunction with the DPF, the audited financial statements on which the information provided in the DPF are based. If these audited financial statements were previously submitted to CDIC by means of the requirement under Section 15 of the *Canada Deposit Insurance Corporation Deposit Insurance Policy By-law*, the institution is not required to refile these statements.

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<sup>2</sup> A member institution that is a direct subsidiary of a member institution that started operating as a member after April 30<sup>th</sup> of the year preceding the filing year is required to file a Reporting Form if it was operating as a member institution for more than two fiscal years of at least 12 months ending in the year preceding the filing year.

In some cases, the calculation of certain measures or ratios in the DPF requires data from prior periods. If the member institution has restated the results of previous years, the restated values are to be used and any differences explained and provided together with the DPF.<sup>3</sup>

A member institution for which audited financial statements have not been issued by the filing deadline must complete the DPF using the member institution's unaudited financial statements for the relevant fiscal year. Once the audited financial statements are issued, the member institution must either:

- Provide CDIC with a declaration confirming that the member institution's audited financial statements confirm the information that was previously provided and that no modifications are required to be made to the Reporting Form (see Annex D for a form for this declaration). If a member institution's confirmation is received by CDIC not later than July 1<sup>st</sup> of the filing year, the member institution will be classified for the full year in the premium category corresponding to the score it obtained when it filed the DPF return (based on unaudited financial statements); or
- File a revised DPF (and any other relevant returns) if they have been revised to conform with the member institution's audited financial statements. If a member institution's revised Reporting Form is received by CDIC not later than July 1<sup>st</sup> of the filing year, the member institution will be classified for the full year in the premium category corresponding to its score based on the revised Reporting Form.

Pursuant to the paragraph 15(1)(e) of the By-law, each member institution that is required under the By-law to file a DPF shall submit to CDIC not later than April 30 of every year the following documents:

- a list of its subsidiaries that are member institutions (see Annex C for a form for this listing);
- the Basel Capital Adequacy Return (BCAR) as at the end of each of the two fiscal years preceding the filing year (Schedules 10.010, 20.010, 10.050 and 10.070);
- the Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI, for the fiscal year preceding the filing year (P3 form);
- the Consolidated Monthly Balance Sheet as at the end of the fiscal year preceding the filing year (M4 form);
- the Return of Allowances for Expected Credit Losses as at the end of the fiscal year preceding the filing year (E3 form);
- the Mortgage Loans Report as at the end of the fiscal year preceding the filing year or as at the calendar quarter-end preceding that year-end (E2 form);

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<sup>3</sup> Under the provisions of the By-law, re-statement as a result of an amalgamation or acquisition will normally not qualify as a reason to revise a previous year's filing.

- Section 6 of the Non-Mortgage Loans Report as at the end of the fiscal year preceding the filing year or as at the calendar quarter-end preceding that year-end (A2 form); and
- if the member is a DSIB, the Pledging and Repos form (U3 form).

Where the member has already provided the documents to the Office of the Superintendent of Financial Institutions (OSFI) or the Bank of Canada by means of the RRS system, it is not necessary to refile these documents to CDIC or append these to the DPF.

## C. INSTRUCTIONS FOR AMALGAMATED MEMBERS

A member institution that amalgamates with another member institution during the one-year period prior to May 1<sup>st</sup> of the filing year is subject to the following filing requirements:

- if the amalgamated institution produced fiscal year-end financial statements in the calendar year preceding the filing year, it must file the DPF based on and consistent with those financial statements;
- if the amalgamated institution did not produce financial statements in the calendar year preceding the filing year, it must file the DPF based on and consistent with the fiscal year-end audited financial statements of each amalgamating member institution for the period ending in the calendar year preceding the filing year – except that, if an amalgamating member institution did not have year-end audited financial statements for the year preceding the filing year, the amalgamated institution must file Reporting Forms based on and consistent with audited financial statements of the amalgamating member institution as of the day preceding the date of amalgamation.

## D. COMPLETING AND FILING THE DPF

Member institutions are expected to use the RRS to file the DPF. Using the RRS will allow fields in the DPF to be populated automatically with data from the returns filed with OSFI.

If your institution already uses the RRS for OSFI filings, no further registration actions are necessary as you will use your existing RRS credentials. If your institution has not previously registered to use the RRS, please contact RRS Support ([rrs-support@bankofcanada.ca](mailto:rrs-support@bankofcanada.ca)).

### Instructions to complete the DPF

1. In the RRS Select the **Differential Premiums** form from the list of **Draft Returns**.
2. Select the **cover page**. If your institution is a **DSIB**, check the box « **Your institution is a DSIB** ». If your institution is **not** a DSIB, leave it **blank**.
3. Navigate from page to page by clicking on the name of the page and from field to field to complete the form by using the «**Tab**» key or mouse clicks.

- Where not pre-populated or when different values must be submitted (e.g. adjustments, reclassifications, etc.) data must be entered manually. **Note that all fields must contain data.** Enter “0” (zero) if there is no data to report (all amounts must be rounded to thousands).
4. Click « **Save as draft** » or « **Validate and Save** ». If you get an error message, ensure all fields are filled in.
  5. Go to the **Attachments Page**. Click on the « Attach a file » button, choose the directory where the document (e.g., Audited Financial Statements) is stored, highlight the file, and click « Open ».
    - Electronic versions of the AFS are acceptable only if they include all notes, the auditors’ opinion and signature, and the signatures of the directors. You may also submit the AFS by email to Asia Yufit, Senior Compliance Officer, Insurance ([members@cdic.ca](mailto:members@cdic.ca)).
    - On the following line attach any other documents you may wish to forward to CDIC with your submission. Add a description of the attached file under the Attachment Description field.
  6. Complete the **Certification Page**. The name of the Chief Financial Officer (CFO) or other authorized officer’s name **must** be indicated on the page.
  7. If applicable, complete the **List of Subsidiaries that are CDIC Member Institutions** section.

#### Filing instructions

8. Once the DPF is completed and certified: **save and validate** all pages and click on the “**Validate & Submit**” option under “Actions”. Choose “**Submit**” and follow the **instructions** to submit the completed DPF immediately to CDIC.
9. The RRS generates a confirmation of submission. CDIC will contact the member only if information is missing.

The filing deadline under the By-law is April 30<sup>th</sup> of each filing year. Failure by a member institution to file the required information on time will result in that member, and any member institutions that are subsidiaries of that member, being classified in premium category 5 until such time the matter is remedied.



## ANNEXES

## Annex A – Annotated Differential Premiums By-law Reporting Form

<b>1. CAPITAL ADEQUACY MEASURES</b>  <p>The Capital Adequacy criterion consists of two components – a Leverage Ratio Score and a Tier 1 Capital Ratio Score. The former awards marks to an institution that manages its leverage prudently. The larger the capital cushion in relation to an institution's assets, the better protected the institution will be in the event that it runs into difficulty. Meanwhile, the latter recognizes higher quality capital and lower risk assets.</p> <p>Use the instructions below to arrive at the elements of the formula.  Refer to the <i>Leverage Requirements Return (LRR)</i> and <i>Basel III Capital Adequacy Reporting – Credit, Market and Operational Risk (BCAR)</i> form, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year.</p> <p>A member institution that is a Category III SMSB is not required to complete elements 1.1 and 1.2.</p>									
<b>1.1</b>	<b>Leverage Ratio (%)</b> - Indicate the leverage ratio (%) as set out in Section 1 – Leverage Ratio Calculation of the LRR.								
<b>1.2</b>	<b>Authorized Leverage Ratio</b> - Indicate the authorized leverage ratio (%) as set out in Section 1 – Leverage Ratio Calculation of the LRR.								
<b>1.6 Leverage Ratio Score</b>  <p>Use the scoring grid below to determine the member institution's leverage ratio score.</p> <table border="1"> <thead> <tr> <th>Range of Scores for Leverage Ratio</th><th>Score</th></tr> </thead> <tbody> <tr> <td>Leverage ratio (1.1) is <math>\geq 110\%</math> of the leverage ratio authorized by the regulator (1.2)</td><td>10</td></tr> <tr> <td>Leverage ratio (1.1) is <math>\geq 100\%</math> but <math>&lt; 110\%</math> of the leverage ratio authorized by the regulator (1.2)</td><td>7</td></tr> <tr> <td>Leverage ratio (1.1) is <math>&lt; 100\%</math> of the leverage ratio authorized by the regulator (1.2)</td><td>0</td></tr> </tbody> </table>		Range of Scores for Leverage Ratio	Score	Leverage ratio (1.1) is $\geq 110\%$ of the leverage ratio authorized by the regulator (1.2)	10	Leverage ratio (1.1) is $\geq 100\%$ but $< 110\%$ of the leverage ratio authorized by the regulator (1.2)	7	Leverage ratio (1.1) is $< 100\%$ of the leverage ratio authorized by the regulator (1.2)	0
Range of Scores for Leverage Ratio	Score								
Leverage ratio (1.1) is $\geq 110\%$ of the leverage ratio authorized by the regulator (1.2)	10								
Leverage ratio (1.1) is $\geq 100\%$ but $< 110\%$ of the leverage ratio authorized by the regulator (1.2)	7								
Leverage ratio (1.1) is $< 100\%$ of the leverage ratio authorized by the regulator (1.2)	0								
<b>1.3</b>	<b>Tier 1 Capital Ratio (%)</b> - Indicate the Tier 1 capital ratio (%) as set out in Schedule 10.010 – Ratio Calculations of the BCAR form.								
<b>1.4</b>	<b>Minimum Tier 1 Capital Ratio (%)</b> - Indicate the minimum Tier 1 capital ratio as set by the regulator for the member institution in accordance with the <i>Capital Adequacy Requirements</i> guideline (OSFI Guidelines), but if a different minimum Tier 1 capital ratio has been set by the regulator by written notice sent to the member institution, indicate that ratio instead.								
<b>1.5</b>	<b>Supervisory Target Tier 1 Capital Ratio (%)</b> - Indicate the supervisory target Tier 1 capital ratio (including the capital conservation buffer and DSIB surcharge as applicable) as set by the regulator for the member institution in accordance with the <i>Capital Adequacy Requirements</i> guideline of the Guidelines, but if a different supervisory target Tier 1 capital ratio has been set by the regulator by written notice sent to the member institution, indicate that ratio instead.								

<b>1.7 Tier 1 Capital Ratio Score</b>	
Use the scoring grid below to determine the member institution's Tier 1 Capital Ratio score.	
<b>Range of Scores for Tier 1 Capital Ratio</b>	<b>Score</b>
Tier 1 capital ratio (1.3) is > the supervisory target Tier 1 capital ratio (1.5)	10
Tier 1 capital ratio (1.3) is ≤ the supervisory target Tier 1 capital ratio (1.5) but ≥ the minimum Tier 1 capital ratio (1.4)	6
Tier 1 capital ratio (1.3) is < minimum required Tier 1 capital ratio (1.4)	0
<b>1.7 Tier 1 Capital Ratio Score</b>	
<b>1.8 Capital Adequacy Score</b>	
Calculate the capital adequacy score by completing the following formula.	
<b>Formula:</b> $\text{Leverage Ratio Score} + \text{Tier 1 Capital Ratio Score} = \text{Capital Adequacy Score}$	
<b>1.8 Capital Adequacy Score</b>	

## 2. RETURN ON RISK-WEIGHTED ASSETS (%)

The Return on Risk-Weighted Assets Score measures the adequacy of earnings relative to the risk of a member.

A member institution that is a Category III SMSB is not required to complete item 2.

**Formula:**

$$\frac{\text{Net Income or Loss}}{\left( \begin{array}{l} \text{Adjusted risk-weighted assets} \\ \text{as of the end of the preceding} \\ \text{fiscal year} \end{array} + \begin{array}{l} \text{Adjusted risk-weighted assets} \\ \text{as of the end of the fiscal year} \\ \text{ending in the second year} \\ \text{preceding the filing year} \end{array} \right) / 2} \times 100$$

**Complete the following:**

$$\frac{2.1 \text{ _____}}{(2.2 \text{ _____} + 2.3 \text{ _____}) / 2} \times 100 = 2.4 \text{ _____} \%$$

### Elements

Use the instructions below to arrive at the elements of the formula.

Refer to the following documents:

- (a) the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI*, completed in accordance with that Manual as of the fiscal year ending in the year preceding the filing year; and
- (b) the *Basel III Capital Adequacy Reporting — Credit, Market and Operational Risk (BCAR)* form, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year.

### 2.1 Net Income or Loss

The net income or loss attributable to equity holders and non-controlling interests (the latter to be reported as a negative number) as set out in the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI*.

### 2.2 Adjusted Risk-Weighted Assets as of the End of the Fiscal Year ending in the Year Preceding the Filing Year

Indicate the adjusted risk-weighted assets as set out in Schedule 10.010 – Ratio Calculations of the BCAR form.

### 2.3 Adjusted Risk-Weighted Assets as of the End of the Fiscal Year ending in the Second Year Preceding the Filing Year

Indicate the adjusted risk-weighted assets as of the end of the fiscal year ending in the second year preceding the filing year, calculated in the same manner as for element 2.2.

If the member institution does not have a fiscal year ending in the second year preceding the filing year, it must indicate “zero”, unless it is an amalgamated institution described below.

If the member institution is an amalgamated member institution formed by an amalgamation involving one or more member institutions and does not have a fiscal year ending in the second year preceding the filing year, it must indicate the same amount as for element 2.2.

Score	
Use the scoring grid below to determine the member institution's score.	
Range of results	Score
Return on risk-weighted assets (2.4) is $\geq 1.15\%$	5
Return on risk-weighted assets (2.4) is $\geq 0.75\%$ and $< 1.15\%$	3
Return on risk-weighted assets (2.4) is $< 0.75\%$ or a negative number (where 2.1 is a negative number)	0
<b>2.4 Return on risk-weighted assets score</b>	

### 3. MEAN ADJUSTED NET INCOME VOLATILITY

The Mean Adjusted Net Income Volatility ratio compares the relative volatility of earnings. Volatility causes some concern as institutions with more volatile earnings may pose a relatively higher risk that their earnings will not be sufficient to cover losses that may occur.

If a member institution has been operating as a member institution for less than five fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), it must indicate "N/A" ("not applicable") for elements 3, 3.1, 3.2 and 3.13 and fill in any of elements 3.3 to 3.12 that apply to it.

If a member institution has been operating as a member institution for five or more fiscal years but less than 10 fiscal years consisting of at least 12 months each (with the last fiscal year of operation ending in the year preceding the filing year), it must complete the formula using the fiscal years during which it has been operating with the appropriate adjustment to the value of "n".

If a member institution formed by an amalgamation involving only one member institution has been operating as a member institution for less than three fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), in addition to filling in the applicable elements as an amalgamated member institution, it must also fill in the applicable elements for the amalgamating member institution.

If a member institution formed by an amalgamation involving two or more member institutions has been operating as a member institution for less than three fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), it must indicate "N/A" ("not applicable") for elements 3, 3.1, 3.2 and 3.13 and fill in any of elements 3.3 to 3.12 that apply to it.

#### Formula:

$$\frac{\text{Standard deviation of the net income or loss}}{\text{Mean net income or loss}}$$

#### Complete the following:

$$\frac{3.1 \underline{\hspace{2cm}}}{3.2 \underline{\hspace{2cm}}} = 3 \underline{\hspace{2cm}}$$

**Elements** - Use the instructions below to arrive at the elements of the formula.

**3.1 Standard deviation of the Net Income or Loss** - Determine the standard deviation of the net income or loss using the following formula

$$\sqrt{\frac{((3.3 - 3.2)^2 + (3.4 - 3.2)^2 + (3.5 - 3.2)^2 + (3.6 - 3.2)^2 + (3.7 - 3.2)^2 + (3.8 - 3.2)^2 + (3.9 - 3.2)^2 + (3.10 - 3.2)^2 + (3.11 - 3.2)^2 + (3.12 - 3.2)^2)}{(n - 1)}}$$

If a member institution has been operating as a member institution for 12 or more fiscal years consisting of at least 12 months each, "n" will be equal to 10.

If a member institution has been operating as a member institution for seven or more but less than 12 fiscal years consisting of at least 12 months each, for each year that it is not operating the portion of the formula in the numerator referencing that year would be removed and "n" will be equal to the number of years that it has been so operating less 2 (e.g. if operating for 11 years, remove "(3.12 - 3.2)<sup>2</sup>" from the numerator and "n" will be equal to 9).

If a member institution has been operating as a member institution for six fiscal years consisting of at least 12 months each, “+ (3.7 – 3.2)<sup>2</sup> + (3.8 – 3.2)<sup>2</sup> + (3.9 – 3.2)<sup>2</sup> + (3.10 – 3.2)<sup>2</sup> + (3.11 – 3.2)<sup>2</sup> + (3.12 – 3.2)<sup>2</sup>” must be removed from the formula and “n” will be equal to 4.

If a member institution has been operating as a member institution for five fiscal years consisting of at least 12 months each, “+ (3.6 – 3.2)<sup>2</sup> + (3.7 – 3.2)<sup>2</sup> + (3.8 – 3.2)<sup>2</sup> + (3.9 – 3.2)<sup>2</sup> + (3.10 – 3.2)<sup>2</sup> + (3.11 – 3.2)<sup>2</sup> + (3.12 – 3.2)<sup>2</sup>” must be removed from the formula and “n” will be equal to 3.

**3.2 Mean Net Income or Loss** - Determine the mean net income or loss (the latter to be reported as a negative number) using the following formula

$$\frac{(3.3 + 3.4 + 3.5 + 3.6 + 3.7 + 3.8 + 3.9 + 3.10 + 3.11 + 3.12)}{n}$$

If a member institution has been operating as a member institution for 12 or more fiscal years consisting of at least 12 months each, “n” will be equal to 10.

If a member institution has been operating as a member for seven or more but less than 12 fiscal years consisting of at least 12 months each, the portion of the formula in the numerator referencing the years that it was not operating is to be removed and “n” will be equal to the number of years that it has been so operating less 2 (e.g. if operating for 11 years, “+3.12” is removed from the numerator and “n” will be equal to 9).

If a member institution has been operating as a member institution for six fiscal years consisting of at least 12 months each, “+ 3.7 + 3.8 + 3.9 + 3.10 + 3.11 + 3.12” must be removed from the formula and “n” will be equal to 4.

If a member institution has been operating as a member institution for five fiscal years consisting of at least 12 months each, “+ 3.6 + 3.7 + 3.8 + 3.9 + 3.10 + 3.11 + 3.12” must be removed from the formula and “n” will be equal to 3.

Indicate the number of fiscal years that the member institution has been operating as a member institution (if less than 12) \_\_\_\_\_

***A member institution must report net income or loss for the last 10 fiscal years.***

***If a member institution has been operating as a member institution for less than three fiscal years of at least 12 months each and it is a member institution formed by an amalgamation involving only one member institution, it must report the net income or loss of the amalgamating member institution for the three fiscal years or less preceding the amalgamation, as applicable.***

***If a member institution has been operating as a member institution for less than five fiscal years of at least 12 months each, it must report “N/A” (“not applicable”) for the elements corresponding to the fiscal years for which it was not operating as a member institution.***

**Net income or loss (the latter to be reported as a negative number) after tax for each of the last 10 fiscal years.**

Indicate the net income or loss as determined for element 2.1 for the fiscal year ending in the year preceding the filing year. **3.3** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.3. **3.4** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.4. **3.5** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.5. **3.6** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.6. **3.7** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.7. **3.8** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.8. **3.9** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.9. **3.10** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.10. **3.11** \_\_\_\_\_

Indicate the net income or loss after tax from the audited financial statements for the fiscal year preceding the fiscal year referred to in element 3.11. **3.12** \_\_\_\_\_

**Score** - Use the scoring grid below to determine the member institution's score.

Range of Results	Score
Mean adjusted net income volatility (3) is $\geq 0$ and $\leq 0.5$	5
Mean adjusted net income volatility (3) is $> 0.5$ and $\leq 1.25$	3
Mean adjusted net income volatility (3) is $> 1.25$	0
Mean adjusted net income volatility (3) is negative or the mean net income or loss (3.2) is "zero"	0
<b>3.13 Mean adjusted net income volatility score</b>	



#### 4. STRESS-TESTED NET INCOME

The Stress Tested Net Income criterion determines how an institution's earnings will be affected by comparing the current year's income to the standard deviation of historical annual net income of that institution.

If a member institution has reported "N/A" ("not applicable") in element 3.13, it must report "N/A" for elements 4A, 4B and 4.3.

**Formulas:**

$$\left( \begin{array}{c} \text{Net income} \\ \text{or loss} \end{array} \right) - \left( 1 \times \begin{array}{c} \text{Standard deviation of} \\ \text{the net income or loss} \end{array} \right) = \left( \begin{array}{c} \text{Stress - tested net income} \\ \text{using one standard deviation} \end{array} \right)$$

$$\left( \begin{array}{c} \text{Net income} \\ \text{or loss} \end{array} \right) - \left( 2 \times \begin{array}{c} \text{Standard deviation of} \\ \text{the net income or loss} \end{array} \right) = \left( \begin{array}{c} \text{Stress - tested net income} \\ \text{using two standard deviations} \end{array} \right)$$

**Complete the following:**

**Stress-tested net income using one standard deviation:**

$$4.1 \text{ _____} - (1 \times 4.2 \text{ _____}) = 4A \text{ _____}$$

**Stress-tested net income using two standard deviations:**

$$4.1 \text{ _____} - (2 \times 4.2 \text{ _____}) = 4B \text{ _____}$$

**Elements** - Use the instructions below to arrive at the elements of the formulas.

**4.1 Net Income or Loss** - Net income or loss as determined for element 2.1.

**4.2 Standard deviation of the Net Income or Loss** - The standard deviation of the net income or loss as determined for element 3.1.

**Score** - Use the scoring grid below to determine the member institution's score.

Range of Results	Score
Stress-tested net income using two deviations (4B) is $\geq 0$	5
Stress-tested net income using one standard deviation (4A) is $\geq 0$ , but stress-tested net income using two standard deviations (4B) is $< 0$	3
Stress-tested net income using one standard deviation (4A) is $< 0$	0
<b>4.3 Stress-tested net income score</b>	

## 5. EFFICIENCY RATIO (%)

The Efficiency Ratio represents the non-interest expenses associated with producing a certain level of gross revenue.

### Formula:

$$\frac{\text{Total non - interest expenses}}{\text{Net interest income} + \text{Non - interest income}} \times 100$$

### Complete the following:

$$\frac{5.1}{5.2 + 5.3} \times 100 = 5 \%$$

**Elements** - Use the instructions below to arrive at the elements of the formula. Refer to the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI*, completed in accordance with that Manual for the fiscal year ending in the year preceding the filing year.

**5.1 Total Non-Interest Expenses** - Indicate the total non-interest expenses, as set out in the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI*, less any charges for impairment included in that total.

**5.2 Net Interest Income** - Determine the net interest income by adding (a) and (b):

- (a) Net interest income as set out in the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI* \_\_\_\_\_
- (b) Taxable equivalent adjustment (if any) \_\_\_\_\_
- Total (insert as element 5.2 of the formula) \_\_\_\_\_

**5.3 Non-Interest Income** - Determine the non-interest income by adding (a) and (b):

- (a) Non-interest income as set out in the *Consolidated Statement of Comprehensive Income, Retained Earnings and AOCI* \_\_\_\_\_
- (b) Taxable equivalent adjustment (if any) \_\_\_\_\_
- Total (insert as element 5.3 of the formula) \_\_\_\_\_

**Score** - Use the scoring grid below to determine the member institution's score.

Range of Results	Score
Efficiency ratio (5) is $\geq 0$ or $\leq 65\%$	5
Efficiency ratio (5) is $> 65\%$ and $\leq 85\%$	3
Efficiency ratio (5) is $> 85\%$ or a negative number	0
5.4 Efficiency ratio score	

## 6. NET IMPAIRED ASSETS TO TOTAL CAPITAL (%)

This criterion considers net impairments of both on- and off-balance sheet assets.

### Formula:

$$\frac{\text{Net impaired on - balance sheet assets} + \text{Net impaired off - balance sheet assets}}{\text{Total Capital}} \times 100$$

### Complete the following:

$$\frac{6.1 \underline{\hspace{2cm}} + 6.2 \underline{\hspace{2cm}}}{6.3 \underline{\hspace{2cm}}} \times 100 = 6 \underline{\hspace{2cm}} \%$$

**Elements** - Use the instructions below to arrive at the elements of the formula. Refer to the following documents:

- (a) the *Return of Allowances for Expected Credit Losses*, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year; and
- (b) the *Basel III Capital Adequacy Reporting — Credit, Market and Operational Risk (BCAR)* form, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year.

**6.1 Net Impaired On-Balance Sheet Assets** - Indicate the net impaired on-balance sheet assets as set out for the total of the column “Net Impaired Amount” in the *Return of Allowances for Expected Credit Losses*. If the result is negative, report “zero”.

**6.2 Net Impaired Off-Balance Sheet Assets** - Calculate the net impaired off-balance sheet assets by subtracting the total of the column “Individual allowance for expected credit losses” in Table 6A from the total of the column “Credit equivalent amount” in that Table. If the result is negative, report “zero”.

**6.3 Total Capital** - Indicate the total capital set out in Schedule 10.010 of the BCAR form.

**Table 6A – Impaired Off-balance Sheet Assets**

(Complete Table 6A as of the end of the fiscal year ending in the year preceding the filing year, referring to Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures and Schedule 70.030 – Derivative Contracts of the BCAR form and to the *Capital Adequacy Requirements* guideline of the Guidelines.)

Impaired Instruments		Notional principal amount	Credit conversion factor***	Credit equivalent amount	Individual allowance for expected credit losses
		a	b	(a x b)	
Direct credit substitutes – excluding credit derivatives			100%		
Direct credit substitutes -- credit derivatives			100%		
Transaction-related contingencies			50%		
Short-term self-liquidating trade-related contingencies			20%		
Sale & repurchase agreements			100%		
Forward asset purchases			100%		
Forward forward deposits			100%		
Partly paid shares and securities			100%		
NIFs & RUFs			50%		
Undrawn commitments – excluding securitization exposure	Standardized Approach		10%		
			25%		
			40%		
	Advanced IRB Approach		**		
			**		
			**		
Impaired OTC Derivative Contracts					
Credit derivative contracts				*	
Interest rate contracts				*	
Foreign exchange contracts				*	
Equity-linked contracts				*	
Commodity contracts				*	
Other Contracts				*	
Total				Use these totals to calculate element 6.2	

\* Fill in the totals from Table 6B.

\*\* Refer to the *Capital Adequacy Requirements* guideline of the Guidelines to determine the applicable credit conversion factor.

\*\*\* Members are able to overwrite the Credit Conversion Factor in Table 6A, if necessary.

**Table 6B – Impaired OTC Derivative Contracts**

(Complete Table 6B as of the end of the fiscal year ending in the year preceding the filing year, referring to Schedule 70.030 – Derivative Contracts of the BCAR form and to the *Capital Adequacy Requirements* guideline of the Guidelines.)

<b>Impaired OTC Derivative Contracts</b> (in thousands of dollars)	<b>Credit derivative contracts</b>	<b>Interest rate contracts</b>	<b>Foreign exchange contracts</b>	<b>Equity- linked contracts</b>	<b>Commodity contracts</b>	<b>Other contracts</b>
--	--	--	---	---	--------------------------------	----------------------------

**Potential Future Credit Exposure (PFE)**

Total contracts not subject to permissible netting						
Total contracts subject to permissible netting						

**Exposure at Default (EAD)** (1.4 x (replacement cost + potential future credit exposure))

Total contracts not subject to permissible netting						
Total contracts subject to permissible netting						

<b>Total Impaired OTC Derivative Contracts</b> (carry forward to “Credit equivalent amount” column in Table 6A)						
---	--	--	--	--	--	--

<b>Score</b>	
Use the scoring grid below to determine the member institution’s score.	
<b>Range of results</b>	<b>Score</b>
Net impaired assets to total capital (6) is $\geq 0\%$ and $< 20\%$	5
Net impaired assets to total capital (6) is $\geq 20\%$ and $< 40\%$	3
Net impaired assets to total capital (6) is $\geq 40\%$ or $< 0\%$	0
<b>6.4 Net impaired assets to total capital score</b>	

## 7. THREE-YEAR MOVING AVERAGE ASSET GROWTH (%)

Institutions experiencing unusually high rates of asset growth can carry greater risk. The criterion uses a three-year moving average asset growth ratio which has the effect of smoothing out yearly fluctuations and provides a means of comparison that is centred on the institution's own historical performance.

If a member institution has been operating as a member institution for less than six fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), it must indicate "N/A" ("not applicable") for elements 7 and 7.5 but still fill in any of elements 7.1 to 7.4 that apply to it.

If a member institution formed by an amalgamation involving only one member institution has been operating as a member institution for less than four fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), in addition to filling in the applicable elements as an amalgamated member institution, it must also fill in the applicable elements for the amalgamating member institution.

If a member institution formed by an amalgamation involving two or more member institutions has been operating as a member institution for less than four fiscal years consisting of at least 12 months each (with the last fiscal year ending in the year preceding the filing year), it must indicate "N/A" ("not applicable") for elements 7 and 7.5 but still fill in any of elements 7.1 to 7.4 that apply to it.

If a member institution acquires assets in the fiscal year ending in the year preceding the filing year as a result of a merger with or the acquisition of a regulated deposit-taking institution or as a result of the acquisition of the deposit-taking business of a regulated institution, and the value of those acquired assets on the date of their acquisition exceeds 15% of the value of the consolidated assets of the member institution immediately before that merger or acquisition, the member institution must include the value of those acquired assets in elements 7.1 to 7.3.

### Formula:

$$\left( \frac{\frac{\text{Assets Year 2} + \text{Assets Year 3} + \text{Assets Year 4}}{3}}{\frac{\text{Assets Year 1} + \text{Assets Year 2} + \text{Assets Year 3}}{3}} - 1 \right) \times 100$$

### Complete the following:

$$\left( \frac{\frac{7.2 \underline{\hspace{2cm}} + 7.3 \underline{\hspace{2cm}} + 7.4 \underline{\hspace{2cm}}}{3}}{\frac{7.1 \underline{\hspace{2cm}} + 7.2 \underline{\hspace{2cm}} + 7.3 \underline{\hspace{2cm}}}{3}} - 1 \right) \times 100 = 7 \underline{\hspace{2cm}}$$

**Elements** - Use the instructions below to arrive at the elements of the formula.

### Refer to the following documents:

- (a) for "Assets for Year 1", refer to the Reporting Form submitted by the member institution in the third filing year before the filing year in which this Reporting is being submitted;
- (b) for "Assets for Year 2", refer to the Reporting Form submitted by the member institution in the second filing year before the filing year in which this Reporting Form is being submitted;
- (c) for "Assets for Year 3", refer to the Reporting Form submitted by the member institution in the filing year before the filing year in which this Reporting Form is being submitted; and
- (d) for "Assets for Year 4", the total of the following "items"

- 1) the amount determined by using the formula under the heading “Assets for Year 4” below. Refer to the *Leverage Requirements Return* (LRR), Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year indicated under the heading “Assets for Year 4” below, and to the *Basel Capital Adequacy Reporting* (BCAR) form, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year indicated under the heading “Assets for Year 4” below.
- 2) the total of the amounts set out in the column “Total” for Securitized Assets – Unrecognized – Institution’s own assets (bank originated or purchased) – Traditional securitizations of Section I – Memo Items of the *Consolidated Monthly Balance Sheet*; and
- 3) if applicable, the value of assets, acquired by the member institution in the fiscal year ending in the year preceding the filing year as a result of a merger or acquisition referred to in the fourth paragraph under the heading “7. THREE-YEAR MOVING AVERAGE ASSET GROWTH (%)”, for years 1, 2 and 3 below, if the value of those assets on the date of their acquisition exceeds 15% of the value of the consolidated assets of the member institution immediately before that merger or acquisition.

Indicate the number of fiscal years consisting of at least 12 months that the member institution has been operating as a member institution (if less than six): \_\_\_\_\_

***A member institution must report assets for the last four fiscal years.***

***If a member institution has been operating as a member institution for less than four fiscal years consisting of at least 12 months each, it must indicate “N/A” (“not applicable”) for the elements corresponding to the fiscal years for which it was not operating as a member institution.***

#### **Assets for Year 1 (2021)**

Assets for Year 1 is the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the third filing year before the filing year in which this Reporting Form is being submitted

#### **Assets for Year 2 (2022)**

Assets for Year 2 is the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the second filing year before the filing year in which this Reporting Form is being submitted

#### **Assets for Year 3 (2023)**

Assets for Year 3 is the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the filing year before the filing year in which this Reporting Form is being submitted

**Year 1:** the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the third filing year before the filing year in which this Reporting Form is being submitted **7.1** \_\_\_\_\_

**Year 2:** the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the second filing year before the filing year in which this Reporting Form is being submitted **7.2** \_\_\_\_\_

**Year 3:** the amount that the member institution entered as element 7.4 of the formula in the Reporting Form submitted by the member institution in the filing year before the filing year in which this Reporting Form is being submitted **7.3** \_\_\_\_\_

**Assets for Year 4 as of the end of the fiscal year ending** in the year preceding the 2025 DP filing year (2024).

Assets for Year 4 is the amount determined by using the **the total of “items” 1, 2 and 3 below:**

$$1) \quad 7.4.1 + 7.4.2 + 7.4.3 + 7.4.4 + 7.4.5 + 7.4.6 + 7.4.7 + 7.4.8 - 7.4.9 + (7.4.10 - 7.4.11) - 7.4.12 - 7.4.13 + 7.4.14 + 7.4.15 + 7.4.16 + 7.4.17 + 7.4.18 + 7.4.19 + 7.4.20 + 7.4.21 - 7.4.22 - 7.4.23 - 7.4.24 - 7.4.25$$

**7.4.1** On-balance sheet assets - Indicate the amount set out in the column “Accounting balance sheet value” for On-balance sheet assets – for purposes of the Leverage Ratio, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.2** Off-balance sheet Eligible servicer cash advances or facilities - Indicate the amount set out in the column “Notional Amount” for Eligible servicer cash advances or facilities – 10% CCF, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.3** Other Off-balance sheet Securitization exposures - Indicate the amount set out in the column “Notional Amount” for Other off-balance sheet securitization exposures – 100% CCF, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.4** Off-balance sheet Direct credit substitutes - Indicate the amount set out in the column “Notional Amount” for Direct credit substitutes – 100% CCF, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.5** Off-balance sheet Transaction-related contingent items - Indicate the amount set out in the column “Notional Amount” for Transaction-related contingent items – 50% CCF, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.6** Off-balance sheet Short-term self-liquidating trade letters of credit - Indicate the amount set in the column “Notional Amount” for Short-term self-liquidating trade letters of credit – 20% CCF, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.7** Total derivative contract exposure (not covered) - Indicate the amount set out in the column “Total Contracts” for “(A) Single derivative exposure not covered by an eligible netting contract, (i) Replacement cost”, as set out in Section 2 – Derivative Exposure Calculation of the LRR.

**7.4.8** Total derivative contract exposure (covered) - Indicate the amount set out in the column “Total Contracts” for “(B) Derivative exposure covered by an eligible netting contract, (i) Replacement cost”, as set out in Section 2 – Derivative Exposure Calculation of the LRR.

**7.4.9** On-balance sheet Derivatives - Indicate the amount set out in the column “Accounting balance sheet value” for Derivatives, as set out in Section 1 – Leverage Ratio Calculation of the LRR.

**7.4.10** Net Common Equity Tier 1 Capital (CET1 after all deductions) - Indicate the Net Common Equity Tier 1 Capital (CET1 after all deductions), as set out in Schedule 20.010 - Capital and TLAC Elements of the BCAR form.

**7.4.11** Gross Common Equity Tier 1 Capital - Indicate the Gross Common Equity Tier 1 Capital, as set out in Schedule 20.010 - Capital and TLAC Elements of the BCAR form.

**7.4.12** Total Deduction from Additional Tier 1 Capital - Indicate the Total Deduction from Additional Tier 1 Capital as set out in Schedule 20.010 - Capital and TLAC Elements of the BCAR form.



- 7.4.13** Total Deduction from Tier 2 Capital - Indicate the Total Deduction from Tier 2 Capital as set out in Schedule 20.010 - Capital and TLAC Elements of the BCAR form.
- 7.4.14** Eligible stage 1 and stage 2 allowance - Indicate the Eligible stage 1 and stage 2 allowance (re standardized approach), as set out in Schedule 20.010 – Capital and TLAC Elements of the BCAR form.
- 7.4.15** Excess allowance - Indicate the Excess allowance (re IRB approach), as set out in Schedule 20.010 – Capital and TLAC Elements of the BCAR form.
- 7.4.16** Direct credit substitutes – credit derivatives – Standardized Approach - Indicate the amount set out in the column “Notional Principal Amount (a)” for Direct credit substitutes – credit derivatives, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.17** Direct credit substitutes – credit derivatives – Foundation IRB approach - Indicate the amount set out in the column “Notional Principal Amount (d)” for Direct credit substitutes – credit derivatives, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.18** Direct credit substitutes – credit derivatives – Advanced IRB approach - Indicate the amount set out in the column “Notional Principal Amount (g)” for Direct credit substitutes – credit derivatives, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.19** Sale and repurchase agreements – Standardized approach - Indicate the amount set out in the column “Notional Principal Amount (a)” for Sale & repurchase agreements, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.20** Sale and repurchase agreements – Foundation IRB approach - Indicate the amount set out in the column “Notional Principal Amount (d)” for Sale & repurchase agreements, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.21** Sale and repurchase agreements – Advanced IRB approach - Indicate the amount set out in the column “Notional Principal Amount (g)” for Sale & repurchase agreements, as set out in Schedule 10.050 – Off-balance Sheet Exposures Excluding Derivatives and Securitization Exposures of the BCAR form.
- 7.4.22** Stage 1 and Stage 2 allowance on balance sheet assets - Indicate the sum of the amounts set out for “Stage 1 and Stage 2 allowance (excluding securitization allowance) on balance sheet assets for capital purposes” and “Allowance on assets capitalized under the securitization framework not recognized for capital purposes”, as set out in Schedule 10.070 – Balance Sheet Coverage by Risk Type and Reconciliation to Consolidated Balance Sheet of the BCAR form.
- 7.4.23** “On-balance sheet” securitization exposures - Indicate the “On-balance sheet” securitization exposures recognized for capital ratio but not for consolidated balance sheet purposes, as set out in Schedule 10.070 – Balance Sheet Coverage by Risk Type and Reconciliation to Consolidated Balance Sheet of the BCAR form.
- 7.4.24** Adjustments – measurement bases - Indicate the Adjustments to reflect differences in balance sheet exposure amounts resulting from measurement bases used for accounting purposes (fair values), as set out in Schedule 10.070 – Balance Sheet Coverage by Risk Type and Reconciliation to Consolidated Balance Sheet of the BCAR form.
- 7.4.25** Adjustments – recognition bases - Indicate the Adjustments to reflect differences in balance sheet exposure amounts resulting from recognition bases used for accounting purposes (settlement / trade date), as set out in Schedule 10.070 – Balance Sheet Coverage by Risk Type and Reconciliation to Consolidated Balance Sheet of the BCAR form.

- 2) the total of the amounts set out in the column “Total” for Securitized Assets – Unrecognized – Institution’s own assets (bank originated or purchased) – Traditional securitizations of Section I – Memo Items of the *Consolidated Monthly Balance Sheet*; and
- 3) if applicable, the value of assets, acquired by the member institution in the fiscal year ending in the year preceding the filing year as a result of a merger or acquisition referred to in the fourth paragraph under the heading “7 THREE-YEAR MOVING AVERAGE ASSET GROWTH (%)”, for years 1, 2 and 3 below, if the value of those assets on the date of their acquisition exceeds 15% of the value of the consolidated assets of the member institution immediately before that merger or acquisition.

**Year 4:** as of the end of the fiscal year ending in the first year preceding the filing year

**7.4** \_\_\_\_\_

**Score**

Use the scoring grid below to determine the member institution’s score.

Range of results	Score
Three-year moving average asset growth is $\leq 15\%$ (including negative results)	5
Three-year moving average asset growth is $> 15\%$ and $\leq 40\%$	3
Three-year moving average asset growth is $> 40\%$	0
<b>7.5 Three-year moving average asset growth score</b>	

## 8. REAL ESTATE ASSET CONCENTRATION

This criterion measures the impact of real estate asset concentration on the risk profile of non-DSIB institutions.

A member institution that is a **domestic systemically important bank (DSIB)** is not required to complete item 8 and will insert "N/A" as its score for element 8.5. A member institution that is a **DSIB must complete element 8-1.**

**Threshold Formula:**

$$\frac{\text{Total Mortgage Loans}}{\text{Total Mortgage Loans} + \text{Total Non-Mortgage Loans} + \text{Total Securities} + \text{Total Acceptances}} \times 100$$

**Complete the following:**

$$\frac{8.1}{8.1 + 8.2 + 8.3 + 8.4} \times 100 = \text{ } \%$$

**Elements** - Use the instructions below to arrive at the elements of the threshold formula. Refer to the *Mortgage Loans Report*, the *Non-Mortgage Loans Report* and Section I – Assets of the *Consolidated Monthly Balance Sheet*, Reporting Manual, all completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year.

### 8.1 Total Mortgage Loans

The total mortgage loans is the sum of the amounts set out in the column "Total" under "Total Mortgage Loans" and "Less Allowance for expected credit losses" in Section I of the Mortgage Loans Report.

### 8.2 Total Non-Mortgage Loans

The total non-mortgage loans is the sum of the amounts set out for "Balance reported on M4" in the columns "TC" under "Resident Loan Balances" and "Non-Resident Loan Balances" in the Non-Mortgage Loans Report.

### 8.3 Total Securities

The total securities is the total of the amounts set out in the column "Total" for Securities set out in Section I – Assets of the *Consolidated Monthly Balance Sheet*.

### 8.4 Total Acceptances

The total acceptances is the total of the amounts set out in the column "Total" for Customers liability under acceptances, less allowance for expected credit losses in Section I – Assets of the *Consolidated Monthly Balance Sheet*.

If the result of the threshold formula is less than 10%, score five for element 8.5 and do not complete the rest of section 8. If that result is greater than or equal to 10%, complete the rest of section 8.

**Fill in Table 8 using the definitions and instructions below.** - Refer to Section III of the *Mortgage Loans Report*, Reporting Manual, completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year. A member institution may complete these calculations using the information reported in the *Mortgage Loans Report* filed at its year-end or, if not filed at its year-end, at the calendar quarter-end preceding that year-end.

**Fill in Table 8 for each of the following types of outstanding mortgages.**

**Residential Properties Mortgage Loans**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate the total mortgage loans of this type by adding together the amounts set out for “Total Residential” in the columns “Insured” and “Uninsured” under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

#### **Land Development Mortgage Loans**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate by adding together

- (a) the total land banking and development mortgage loans determined by adding together the amounts set out for “Land Banking and Development” in the columns “Insured” and “Uninsured” under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses, and
- (b) the total residential interim construction mortgage loans determined by adding together the amounts set out for “Residential Interim Construction Mortgages” in the columns “Insured” and “Uninsured” under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

#### **Hotel and Motel Properties Mortgage Loans**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate the total mortgage loans of this type by adding together the amounts set out for “Hotels/Motels” in the columns “Insured” and “Uninsured” under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

#### **Industrial Properties Mortgage Loans**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate the total mortgage loans of this type by adding together the amounts set out for “Industrial buildings” in the columns “Insured” and “Uninsured”, under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

#### **Single Family Dwelling Properties Mortgage Loans**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate the total mortgage loans of this type by adding together the amounts set out for “Single Detached” and “Individual condominium units” in the columns “Insured” and “Uninsured” under “Gross Mortgage Loans Outstanding” in Section III of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

### **Second or Subsequent Mortgage Loans Outstanding**

Mortgage loans of this type, secured by properties located in Canada, are to be classified in accordance with the Reporting Manual.

The total mortgage loans of this type is the amount set out for “Second and Subsequent Mortgages outstanding” in the column “Amounts Outstanding” in the second table of the Memo Items to Section IV of the *Mortgage Loans Report*, before deducting any allowance for expected credit losses.

### **Real Estate Under Power of Sale or Foreclosed Properties**

Properties of this type, located in Canada, are to be classified in accordance with the Reporting Manual.

Calculate by adding together:

(a) for foreclosed properties located in Canada, the amount set out in the column “Total” for Foreclosed long-lived assets acquired in the liquidation of a loan – Held for sale of Section I - Memo Items of the *Consolidated Monthly Balance Sheet*, and

(b) for real estate under power of sale, the amount set out in the column “Total” for Power of Sale Loans related to Real Estate of Section I – Memo Items of the *Consolidated Monthly Balance Sheet*.

**Table 8**

A	B	C	D	E
Type	Amount	Percentage of Total Mortgage Loans (Amount from Column B ÷ Total Mortgage Loans*) x 100	Range of Results	Score**
Residential Properties Mortgage Loans			< 50% = 0 ≥ 50% and < 75% = 3 ≥ 75% = 5	
Land Development Mortgage Loans			> 10% = 0 > 5% and ≤ 10% = 3 ≤ 5% = 5	
Hotel and Motel Properties Mortgage Loans			> 10% = 0 > 5% and ≤ 10% = 3 ≤ 5% = 5	
Industrial Properties Mortgage Loans			> 15% = 0 > 10% and ≤ 15% = 3 ≤ 10% = 5	
Single Family Dwelling Properties Mortgage Loans			< 35% = 0 ≥ 35% and < 50% = 3 ≥ 50% = 5	
Second or Subsequent Mortgage Loans			> 10% = 0 > 5% and ≤ 10% = 3 ≤ 5% = 5	
Real Estate Under Power of Sale or Foreclosed Properties			> 8% = 0 > 5% and ≤ 8% = 3 ≤ 5% = 5	

\* "Total Mortgage Loans" used in the calculation in column C must correspond to the amount of the Total Mortgage Loans determined for element 8.1.

\*\* Fill in the score in column E for a type of mortgage loan or property set out in column A that corresponds to the percentage set out in column C, in accordance with the appropriate range set out in column D.

Score - Use the scoring grid below to determine the member institution's score.	
Range of Results	Score
Lowest score in Column E of Table 8 is 0	0
Lowest score in Column E of Table 8 is 3	3
All scores in Column E of Table 8 are 5	5
Result of the threshold formula is <10% of Total Assets	5
<b>8.5 Real Estate Asset Concentration Score</b>	

## 8-1. ASSET ENCUMBRANCE MEASURE

This measure relates to a member's pledging activity and ability to deal with a liquidity shock.

Only a member institution that is a **domestic systemically important bank** must complete item 8-1. All other member institutions are to insert "N/A" for item 8-1.3.

### 8-1.1 Unencumbered Asset Concentration

#### Threshold Formula:

$$\frac{\text{Total Liabilities} - (\text{Subordinated Debt} + \text{Covered Bonds Liabilities} + \text{Securitization Liabilities} + \text{Repos} + \text{Shorts})}{\text{Total Assets} - (\text{Impairment} + \text{Total Pledged Assets})} \times 100$$

#### Complete the following:

$$\frac{8-1.1.1 - (8-1.1.2 + 8-1.1.3 + 8-1.1.4 + 8-1.1.5 + 8-1.1.6)}{8-1.1.7 - (8-1.1.8 + 8-1.1.9)} \times 100 = 8-1.1 \text{ } \_\_\_\_\_\% \text{ }$$

**Elements** - Use the instructions below to arrive at the elements of the formula.

Refer to the Consolidated Monthly Balance Sheet, the Return of Allowances for Expected Credit Losses and Section I of the Pledging and Repos Report, Reporting Manual, all completed in accordance with that Manual as of the end of the fiscal year ending in the year preceding the filing year.

**8-1.1.1 Total Liabilities** - The total liabilities is calculated by deducting from the amount set out in the column "Total" for Total Liabilities and Shareholders' Equity the amounts included as shareholders' equity in Section II – Liabilities of the *Consolidated Monthly Balance Sheet*.

**8-1.1.2 Subordinated Debt** - The total subordinated debt is the amount set out in the column "Total" for Subordinated Debt in Section II – Liabilities of the *Consolidated Monthly Balance Sheet*.

**8-1.1.3 Covered Bonds Liabilities** - The covered bonds liabilities is the total of the amounts set out in the column "Total" for Selected information on covered bonds liabilities in Section II – Memo Items of the *Consolidated Monthly Balance Sheet*.

**8-1.1.4 Securitization Liabilities** - The securitization liabilities is the total of the amounts set out in the column "Total" for Securitization notes payable (institution's own assets) and Securitization notes payable (third party assets) as set out for the Mortgages and Loans Payable in Section II – Memo Items of the *Consolidated Monthly Balance Sheet*.

**8-1.1.5 Repos** - The obligations related to assets sold under repurchase agreements is the amount set out in the column "Total" for Obligations related to assets sold under repurchase agreements in Section II – Liabilities of the *Consolidated Monthly Balance Sheet*.

**8-1.1.6 Shorts** - The obligations related to borrowed securities is the amount set out in the column "Total" for Obligations related to borrowed securities in Section II – Liabilities of the *Consolidated Monthly Balance Sheet*.

**8-1.1.7 Total Assets** - The total assets is the amount set out in the column "Total" for Total assets in Section I – Assets of the *Consolidated Monthly Balance Sheet*.

**8-1.1.8 Impairment** - Impairment is the amount set out for "Total" in the column "Recorded Investment Total" under "Stage III", less the aggregate of the amounts set out for "Total" in the columns "Expected Credit Losses" under "Stage I", "Stage II" and "Stage III", in the *Return of Allowances for Expected Credit Losses*.

**8-1.1.9 Total Pledged Assets** - The total pledged assets is the total of the amounts set out in the column "OUTSTANDING END OF PERIOD – CONSOLIDATED ENTITY" for TOTAL and REPURCHASE AGREEMENTS (REPOS) of SECTION I – PLEDGING AND REPURCHASE AGREEMENTS of the *Pledging and Repos Report*.

If the result of the threshold formula is equal to or less than 100%, score five for element 8-1.3 and **do not** complete the rest of item 8-1. If the result is greater than 100%, **complete** the rest of item 8-1.

#### 8-1.2 Pledged Asset Ratio

**Formula:**

$$\frac{\text{Total Pledged Assets}}{\text{Total Assets}} \times 100$$

**Complete the following:**

$$\frac{8-1.2.1 \text{ _____}}{8-1.2.2 \text{ _____}} \times 100 = 8-1.2 \text{ _____} \%$$

**8-1.2.1 Total Pledged Assets** - Indicate the total pledged assets as determined for element 8-1.1.9.

**8-1.2.2 Total Assets** - Indicate the total assets as determined for element 8-1.1.7.

**Score** - Use the scoring grid below to determine the member institution's score.

Range of results	Score
Result of the threshold formula in 8-1.1 is $\leq$ 100%	5
Result of the formula in 8-1.2 < 50%	3
Result of the formula in 8-1.2 is $\geq$ 50%	0
<b>8-1.3 Asset Encumbrance Measure Score</b>	



## 9. AGGREGATE COMMERCIAL LOAN CONCENTRATION RATIO (%)

The Aggregate Commercial Loan Concentration Ratio measures a member institution's non-mortgage loan concentration across various industry categories as a percentage of total capital.

If the result of the threshold formula in section 8 is greater than 90%, indicate a score of five for element 9.4 and do not complete section 9.

If the result of the threshold formula in section 8 is equal to or less than 90%, or the member institution is a domestic systemically important bank, complete section 9.

**Formula:**

$$\frac{\text{Aggregate Commercial Loan Concentration}}{\text{Total Capital}} \times 100$$

**Complete the following:**

$$\frac{9.1 \text{ } \underline{\hspace{2cm}}}{9.2 \text{ } \underline{\hspace{2cm}}} \times 100 = 9 \text{ } \underline{\hspace{2cm}} \%$$

**Elements** - Refer to the *Non-Mortgage Loans Report*, Reporting Manual, completed in accordance with that Manual. Use the instructions below to arrive at the elements of the formula. A member institution may complete these calculations using the information reported in the *Non-Mortgage Loans Report* filed at its year-end or, if not filed at its year-end, at the calendar quarter-end preceding that year-end.

**9.1 Aggregate Commercial Loan Concentration** - The aggregate commercial loan concentration is the total of column B in Table 9, expressed in thousands of dollars.

**9.2 Total Capital** - The total capital as determined for element 6.3, expressed in thousands of dollars.

**Fill in Table 9 following the instructions and using the definitions below.**

Fill in Table 9 by reporting for each industry sector the total of the commercial loans held by the member institution in respect of all persons operating in that sector, using consolidated financial information.

**Loans** – Loans are as described in the *Non-Mortgage Loans Report*.

**Person** – Means a natural person or an entity.

**Entity** – Has the same meaning as in section 2 of the *Bank Act*.

**Industry Sectors** - For the purpose of completing Table 9, commercial loans shall be grouped according to the classifications used for completing the *Non-Mortgage Loans Report* and using the 12 industry sectors in the list below.

**Industry Sector List** - Calculate the commercial loans for each of the industry sectors in accordance with the following list and insert each of the totals on the appropriate line in column A in Table 9. Refer to the *Non-Mortgage Loans Report*, Reporting Manual, completed in accordance with that Manual.

**Agriculture** - Commercial loans of this type are to be classified in accordance with the Reporting Manual.

Calculate the total by adding together the amounts in the columns "TC" under "Resident Loan Balances" and "Non-Resident Loan Balances" and subtracting the amount set out in the column "TC" under "Allowance for Expected Credit Losses", all as set out for "Agriculture" in the *Non-Mortgage Loans Report*.

<p><b>Fishing and Trapping</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances”, and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected Credit Losses”, all as set out for “Fishing and Trapping” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Logging and Forestry</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Logging and Forestry” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Mining, Quarrying and Oil Wells</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Mining, Quarrying and Oil Wells” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Manufacturing</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Manufacturing” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Construction / Real Estate</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Construction / Real Estate” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Transportation, Communication and Other Utilities</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Transportation, Communication and Other Utilities” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Wholesale Trade</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Wholesale Trade” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Retail</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p> <p>Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Retail” in the <i>Non-Mortgage Loans Report</i>.</p>
<p><b>Service</b> - Commercial loans of this type are to be classified in accordance with the Reporting Manual.</p>

Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Service” in the *Non-Mortgage Loans Report*.

**Multiproduct Conglomerates** - Commercial loans of this type are to be classified in accordance with the Reporting Manual.

Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount set out in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Multiproduct Conglomerates” in the *Non-Mortgage Loans Report*.

**Others (Private Not for Profit Institutions, Religious, Health and Educational Institutions)** - Commercial loans of this type are to be classified in accordance with the Reporting Manual.

Calculate the total by adding together the amounts in the columns “TC” under “Resident Loan Balances” and “Non-Resident Loan Balances” and subtracting the amount set out in the column “TC” under “Allowance for Expected credit losses”, all as set out for “Others (Private Not for Profit Institutions, Religious, Health and Educational Institutions)” in the *Non-Mortgage Loans Report*.

**Table 9**

<b>Instructions</b>		
Insert 10% of total capital as determined for element 6.3:		<b>9.3</b> _____
In column A below, report the amount calculated in accordance with the instructions for each industry sector.		
In column B below, for each industry sector that has an amount reported in column A that (a) exceeds the amount reported at element 9.3, report the amount by which it exceeds the amount reported at element 9.3; and (b) does not exceed the amount reported at element 9.3, report "zero".		
<b>Industry Sector</b>	<b>Column A</b>	<b>Column B</b> Column A minus element 9.3 If negative, report "0"
Agriculture		
Fishing and Trapping		
Logging and Forestry		
Mining, Quarrying and Oil Wells		
Manufacturing		
Construction / Real Estate		
Transportation, Communication and Other Utilities		
Wholesale Trade		
Retail		
Service		
Multiproduct Conglomerates		
Others (Private Not for Profit Institutions, Religious, Health and Educational Institutions)		
<b>Total of Column B</b>		
		Carry total of column B forward to element 9.1
<b>Score - Use the scoring grid below to determine the member institution's score.</b>		
<b>Range of Results</b>		<b>Score</b>
Result of the threshold formula in section 8 is > 90%		5
Aggregate commercial loan Concentration ratio (9) is < 100%		5
Aggregate commercial loan Concentration ratio (9) is ≥ 100% and < 300%		3
Aggregate commercial loan Concentration ratio (9) is ≥ 300%		0
<b>9.4 Aggregate commercial loan concentration ratio score</b>		

10. TOTAL QUANTITATIVE SCORE		
Using the scores from each of the preceding items, fill in the scoring grid below to determine the total quantitative score.		
Factor	Element	Score
Capital Adequacy	1.8	
Return on Risk-Weighted Assets	2.4	
Mean Adjusted Net Income Volatility	3.13	
Stress-Tested Net Income	4.3	
Efficiency Ratio	5.4	
Net Impaired Assets to Total Capital	6.4	
Three-Year Moving Average Asset Growth	7.5	
Real Estate Asset Concentration*	8.5	
Asset Encumbrance Measure **	8-1.3	
Aggregate Commercial Loan Concentration Ratio	9.4	
<b>Subtotal</b>		
<p>If elements 3.13, 4.3 and 7.5 are all “N/A”, fill in the result determined in accordance with the following formula:</p> <p style="text-align: center;"><math>(\text{Subtotal} / 45) \times 15</math></p> <p>If none of elements 3.13, 4.3 and 7.5 are “N/A”, fill in “zero”</p> <p>If only element 7.5 is “N/A”, fill in the result determined in accordance with the following formula:</p> <p style="text-align: center;"><math>(\text{Subtotal} / 55) \times 5</math></p>		
<b>Total Quantitative Score</b>		

\* Every member institution that is not a DSIB must complete this item.

\*\* Only a member institution that is a domestic systemically important bank must complete this item.

## Annex B – New Member Institution Declaration

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The Chief Financial Officer, or other authorized officer

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[Name of officer]

by submitting this declaration to the Canada Deposit Insurance Corporation,

certifies that

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[Name of member institution]

meets the conditions for classification as a member institution in accordance with Subsection 7(1)(a) of the *Canada Deposit Insurance Corporation Differential Premiums By-law* in respect of the premium year under the *Canada Deposit Insurance Corporation Act* commencing May 1, 2025.

## Annex C – List of Subsidiaries that are CDIC Member Institutions

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The Chief Financial Officer, or other authorized officer,

\_\_\_\_\_  
[Name of Officer]

by submitting this declaration to the Canada Deposit Insurance Corporation,  
certifies that, as at April 30, 2025, the institutions listed below are subsidiaries of

\_\_\_\_\_  
[Name of member institution]

and are member institutions of Canada Deposit Insurance Corporation.

**Names of subsidiaries that are CDIC member institutions:**

## Annex D – Subparagraph 15(4)(b)(i) Declaration

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The Chief Financial Officer, or other officer,

\_\_\_\_\_  
[name of officer]

by submitting this declaration to the Canada Deposit Insurance Corporation  
certifies that the enclosed audited financial statements of

\_\_\_\_\_  
[name of member institution]

confirm the information that was previously provided to CDIC and that no modifications are required to be made to the Reporting Form or to the Returns and Documents as submitted in respect of the premium year under the *Canada Deposit Insurance Corporation Act* commencing May 1, 2025.

Dated: \_\_\_\_\_