GUIDE

Declaring Net Cumulative Cash Flow (NCCF)

April 2024

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GENERAL INFORMATION

The instructions contained in this document ("guide") will enable financial institutions to present their statement of account related to their net cumulative cash flow (NCCF). This guide covers the instructions for the Comprehensive NCCF and the Streamlined NCCF. The Autorité des marchés financiers (the "AMF") expects that, based on their categorization, as presented in the *Liquidity Adequacy Guideline*[1] (the "Guideline"), financial institutions will meet their requirements in respect of NCCF reporting on a monthly basis, unless the AMF requires the frequency to be increased, in accordance with the Guideline.

In particular,

- Domestic Systemically Important Financial Institutions (D-SIFIs) must use the **Comprehensive NCCF** for their reporting;
- Small and medium-sized deposit institutions (SMDI) in Categories I and II must use the **Streamlined NCCF** for their reporting.

The reporting forms ("Forms") must be sent to the AMF within the fourteen calendar days following the end of each month and must include the contact information (name, telephone number and email address) of the person to be contacted for additional information, if necessary.

Thus, the Forms must be completed using the methodologies and calculations described in Chapter 5 of the Guideline. The instructions presented below, and in "Annexe 2. Instructions" of the reporting form (Excel file), correspond to the instructions for each kind of data to be provided. To make it easier to complete the Forms, the related instructions refer directly to the relevant paragraphs of the Guideline.

The Forms must be completed on a consolidated basis. Amounts in foreign currencies must be converted to Canadian dollars (CAD). For purposes of this document, the entities regulated by the AMF that are covered by the Guideline are collectively designated by the terms "institutions" or "financial institutions."[2,3]

For the "Comprehensive NCCF" form, the NCCF is to be reported on a Canadian currency basis and on an individual major foreign currency basis, which is defined as the US dollar (USD), Euro (EUR), and British pound sterling (GBP) as well as any other currency determined to be necessary by the AMF.[4]

For the Streamlined NCCF form, the NCCF is only to be reported on a consolidated basis with all currencies aggregated and reported in Canadian dollars.

[1] Autorité des marchés financiers, Liquidity Adequacy Guideline, 2023.

[2] The terms "institutions" and "financial institutions" are designated by "financial institution" in the Excel file called "Reporting of net cumulative cash flow (NCCF)" and in the examples presented in Appendix 1 of this guide.

[3] These expressions are defined on page v of the Guideline.

[4] The targeted financial institutions will be informed of this additional requirement, if applicable.

The NCCF of subsidiaries must be reported if the sum of all subsidiary balance sheets is 5% of consolidated notional assets, or as required by the AMF.[5] If applicable, the AMF will contact the institution and its subsidiaries to make its request.

NCCF reports must be sent directly to the AMF by the file transfer system (FTS).

These instructions should be read in conjunction with the Guideline.

Language

In the "Page titre" sheet of the Excel forms, select "Eng" to obtain the English version of the form.

5 Guideline, chap. 5, para. 10.

SECTION 1. GENERAL

1.1. Introduction

This guide sets out the provisions of Chapter 5 of the Guideline, establishing definitions, haircuts, run-off rates and reporting requirements.

Guideline references are made to the final version in effect on April 1, 2024.

The NCCF forms incorporate a financial institution's cash flows for assets, liabilities, and collateral movements. When certain items (“lines” in the form) do not apply to a financial institution, in view of its business model, for example, the field must be left empty.

Streamlined NCCF

The Streamlined NCCF is based on the Comprehensive NCCF, where more granularity is usually required for specific assets, liabilities, and off-balance-sheet items. Most instructions apply to both forms. However, where instructions for the Streamlined NCCF differ, they will be clearly indicated in this guide.

Format of the form

Financial institutions must complete a form divided into two sections, which cover the following:

a) **Cash inflows** (including Eligible Unencumbered Liquid Assets, or EULA) — Allocation of all eligible cash inflows from assets and collateral to the appropriate maturity buckets. Cash and security flow eligibility and treatments are discussed in Section 2 for cash inflows. Reporting of securities includes on-balance sheet securities and off-balance sheet collateral pledged/received.[6]

b) **Cash outflows —** Allocation of all eligible cash outflows from liabilities and collateral to the appropriate maturity buckets. Cash and security flow eligibility and treatments are discussed in Section 3 for cash outflows. Reporting of securities includes on-balance sheet securities and off-balance sheet collateral pledged/received.[7]

[6] Guideline, chap. 5, para. 15 to 37.

[7] Guideline, chap. 5, para. 38 to 75.

Maturity buckets used in the form include:

Weeks				Mth											
1	2	3	4*	2**	3	4	5	6	7	8	9	10	11	12	> 365

* Cash flows related to days 29, 30 and 31 of the first month must be reported in the week 4 bucket. For deposits, the equivalent monthly run-off rate assigned to week 4 cash flows must be applied.[8]

** Cash flows related to the remaining days of week 5 must be reported in the month 2 bucket. For deposits, the monthly run-off rate assigned to month 2 cash flows must be applied.

1.2. General

The NCCF measures a financial institution's surplus or deficit at a given time period, calculated as the difference between the sum of eligible cash inflows and the sum of prescribed cash outflows from the reporting date up to the time period considered. Accordingly, a financial institution’s survival horizon corresponds to the last period before which the NCCF turns negative and is expressed in weeks or in months.

Unless instructed otherwise, cash flows associated with assets, liabilities, and collateral movements that have a contractual maturity should be considered based on their residual contractual maturity or earliest option date.[9]

Outflows associated with liabilities that have no specific maturity, such as demand deposits, will be calculated in accordance with the Guideline and allocated to the maturity buckets noted in section 1.2 of this document.

Instructions related to collateral are embedded within the corresponding inflow and outflow sections.

Balances must be reported. An exact reconciliation to the balance sheet balances should be done on a best-efforts basis. However, the balances must closely match those of the balance sheet and the reconciliation must be within reason and explainable.

For loans with an amortization schedule, institutions may choose to recognize either blended mortgage amortization and interest payment inflows, or suppress reporting of interest payment and report mortgage amortization payment inflows only. If the institution chooses to recognize blended mortgage amortization and interest payment as inflows, it must do so for all loan types, and blended deposit balances and interest payment outflows must be reported for deposits. Otherwise, the institution can choose to report balances only for the outflows from deposits.

The excess net cumulative cash flow (NCCF) and the horizon will be established based on the calculations in the Forms.

8 Guideline, chap. 5, para. 39 and Appendix 1 of this guide.

9 Guideline, chap. 5, para. 25, 27 and 40.

The NCCF compares the cumulative cash inflows from maturing assets and unencumbered liquid assets with cumulative cash outflows using the following equation:[10]

NCCF (Weeks) = ∑ (Inflows - Outflows), Cumulative

If reporting requirements cannot be respected due to system constraints, the reporting financial institutions must provide the AMF with a corrective action plan and interim reporting measures.

1.3. Production

The NCCF Forms must be submitted to the AMF each month. The institution must be able to file its form weekly or daily in stress situations, if the AMF so requests. The time lag in reporting should not surpass 14 calendar days, which may be reduced to 3 business days in stress situations.

If NCCF declines (or will have to decline) below the specific target the AMF gave the institution, the institution must inform the AMF without delay.

1.4. Major foreign currencies

In the Comprehensive NCCF, cash flows must be reported in CAD for each of the major foreign currencies, namely the US dollar (USD), the euro (EUR), the pound sterling (GBP) and any other currencies the AMF deems necessary.[11] These currencies are collectively designated as “major foreign currencies.” The CAD exchange rate in effect as of the reporting date should be used for conversion.

For Major Foreign Currency Balance Sheets and Combined Balance Sheet, cash flow information should be summarized from individual foreign currency and Canadian balance sheets.

Streamlined NCCF

For the Streamlined NCCF, the NCCF is only to be reported on a consolidated basis with all currencies aggregated and reported in Canadian dollars. Institutions that use the Streamlined NCCF must report collateral inflows and outflows only if they dispose of any or if the AMF requests this.

1.5. Securities haircut table

Given the multitude of instrument types, to ensure that reporting is done in a consistent and comparable manner across currencies and jurisdictions, security types (including those qualified as Eligible Unencumbered Liquid Assets (EULA) as defined in Chapter 5 of the Guideline) have been harmonized into broader security types based on their nature and credit rating.

Securities qualified as EULA under each currency have been assigned haircuts, which approximate haircuts prescribed by the corresponding central banks for each security type.

[10] Guideline, chap. 5, para. 7.

[11] The targeted financial institutions will be informed of this additional requirement, if applicable.

Security types that are not qualified as EULA in a jurisdiction receive no liquidity value and are assigned 100% haircut in week 1; full liquidity value will be attributed upon maturity of the security.

Securities cash flows are determined based on the market value of the securities after application of the appropriate haircut, as prescribed in the Securities Haircut Table. The haircut table can be found in the NCCF form in the “Annexe 1. Taux de référence” worksheet.

The central bank eligible securities and haircuts have been streamlined into the Securities Haircut Table in the following aspects:

Credit rating steps – Security types are based on the following credit rating step methodology:

Credit rating bucket	Credit rating
High	AA-/Aa3 to AAA/Aaa
Medium rated	A-/A3 to A+/A1
Low/not rated	D to BBB+/Baa1 or not rated

This is based on BCBS' standardized approach to credit risk implemented by the Basel Committee on Banking Supervision[12] and is consistent with the LCR HQLA leveling scheme.[13]

Haircuts – To ease reporting efforts and ensure a consistent approach, a single haircut rate has been selected from the range of haircuts assigned by central banks for each type of security and each major foreign currency in the Securities Haircut Table. While central banks generally prescribed haircuts based on the residual maturity of securities, haircuts were not directly comparable as different residual maturity buckets were adopted by different central banks, other things being equal. Other currencies determined to be eligible by the AMF are to be haircut using the Canadian dollar haircuts. Note that the haircuts are subject to change as central banks adjust their haircuts for standing liquidity facilities.

[12] BASEL COMMITTEE ON BANKING SUPERVISION, International Convergence of Capital Measurement and Capital Standards, June 2006, para. 53.

[13] Guideline, chap. 2.

SECTION 2. CASH INFLOWS

2.1. Inflows overview

Cash inflows from assets that do not meet the criteria defined for EULA may be recorded at the time of maturity provided they meet the criteria defined in the Guideline.[14]

Cash inflows must be positive amounts and should only be reported for assets. In exceptional situations where inflows are recorded from liabilities, institutions must provide in the **COMMENTS** column an explanation and rationale to justify the resulting inflow.

The asset types for which inflows need to be reported are listed in the form. Granularity of reporting for inflows should be consistent across balance sheets (for each currency).

2.2. Inflow maturities

Unless instructed otherwise, inflows should always be allocated to maturity buckets corresponding with their contractual maturity or earliest option date.[15] However, exceptions noted in Chapter 5 of the Guideline include:

- Cash resources (deposits with central banks and other financial institutions) should be reported as inflows in the first week; [16]
- EULA should be reported as inflows in the first week after the appropriate haircut prescribed by the Securities Haircut Table in accordance with the Guideline;[17]
- Common shares and Tier 1A capital instruments that generate inputs constitute inflows according to the terms of the Guideline;[18]
- With respect to loans with no specific maturity, only inflows associated with minimum payments that are contractually due may be reported. These payment amounts are assumed to occur at the latest possible time band within that period;[19]
- Bankers' acceptances reported as assets (customer's liability under acceptance) should be reported as inflows at the latest contractual maturity date of the underlying facility;[20]
- Balances related to on-balance-sheet assets, which are not mentioned in Chapter 5 of the Guideline, must be reported in the NCCF as **OTHER ASSETS**, but no cash inflow value can be attributed to them.[21]

[14] Guideline, chap. 5, para. 22 and 25 to 37.

[15] Guideline, chap. 5, para. 25 and 27.

[16] Guideline, chap. 5, para. 26.

[17] Guideline, chap. 5, para. 16.

[18] Guideline, chap. 5, para. 29 and 30.

[19] Guideline, chap. 5, para. 32.

[20] Guideline, chap. 5, para. 28.

[21] Guideline, chap. 5, para. 37.

2.3. Cash resources

Cash resources held by the institution that are immediately available to deal with its obligations must be reported under **CASH RESOURCES — COINS AND BANK NOTES**. These cash flows are reported as cash inflows in the first time bucket (i.e., week one).

Deposits with central banks

Cash deposits placed at central banks to meet reserve requirements and that cannot be drawn down in times of stress must be reported in **CASH RESOURCES — DEPOSITS WITH CENTRAL BANKS — MANDATORY.** They are treated as cash inflows in the time bucket when they become unencumbered.

Cash deposits placed at central banks that can be drawn down in times of stress must be reported in **CASH RESOURCES — DEPOSITS WITH CENTRAL BANKS — DEPOSITS WITH CENTRAL BANKS — UNENCUMBERED.** These deposits are reported as cash inflows in the first time bucket (i.e., week one).

Deposits with financial institutions[22]

Demand deposits placed at financial institutions must be reported under **CASH RESOURCES — DEPOSITS WITH FIS — DEMAND DEPOSITS AT FIS**. These deposits are reported as cash inflows in the first time bucket (i.e., week one).

Term deposits placed at financial institutions that cannot be withdrawn before maturity must be reported under **CASH RESOURCES — DEPOSITS WITH FIS — TERM DEPOSITS AT FIS**. These deposits are reported as cash inflows in the earliest contractual maturity time buckets.

Notice deposits with notice requirements shorter than 7 days should be reported on the line **CASH RESOURCES — DEPOSITS WITH FIS — DEMAND DEPOSITS AT FIS**. Notice deposits with notice requirements longer than 7 days should be reported on the line **CASH RESOURCES — DEPOSITS WITH FIS — TERM DEPOSITS AT FIS.**

For cash deposits with financial institutions that are encumbered and pledged as collateral, refer to sections 2.8 (Derivative-related assets (DRA)) and 3.10 (Derivative-related liabilities (DRL)) below.

2.4. Securities

The purpose of this guide is to support financial institutions in simulating a financial institution's capacity to resist a stress situation. One of the assumptions is that financial institutions will be able to generate funding by selling off certain securities in the secondary market at a discounted price. The discounted price is simulated through the haircuts on the market value of various securities.

The balances of all securities must be reported at market value, excluding accrued interest. For inflows (at contractual amounts) in the contractual maturity time buckets, or, for securities without maturity (e.g., common equity shares), only the balance is to be reported.

[22] Guideline, chap. 5, para. 26.

Securities qualifying as EULA are treated as cash inflows in the first time bucket (i.e., week one) after applying the appropriate haircut as prescribed in the Securities Haircut Table.[23] Upon maturity of EULA, the haircut amount of the maturing inflow is recognized in the contractual maturity time bucket (Appendix 1).

For securities not eligible as EULA, contractual inflows are recognized under the appropriate contractual maturity.[24]

Fungibility of USD securities as CAD EULA

For the Comprehensive NCCF, U.S. liquid assets can be reported in the Canadian dollar balance sheet provided they meet the criteria of Canadian EULA, i.e., eligible at the Bank of Canada.[25]

To report fungible USD securities in the CAD balance sheet, it is necessary to report balances (at market value, excluding accrued interest) and inflows (at contractual amounts) in the corresponding categories after appropriate Canadian haircuts. For each category of securities transferred, the amount of USD securities reported in the CAD balance sheet must be reported in the **COMMENTS** field.

Exchange-traded notes (ETNs)

No liquidity value will be assigned to these securities before they mature. The balance (at market value) and the inflows (contractual amounts) in the contractual time buckets must be reported as follows:

- Comprehensive NCCF: **SECURITIES — CORPORATE BONDS AND PAPER — FI ISSUED CORPORATE BONDS AND PAPER (LOW RATED OR NOT RATED) — FI ISSUED UNSECURED BONDS AND PAPER (LOW RATED OR NOT RATED)**.
- Streamlined NCCF: **FI & NON-FI ISSUED CORPORATE BONDS AND PAPER (LOW RATED OR NOT RATED).**

Inflows are reported in the appropriate time bucket according to the original contractual maturity.

Eligible common equity shares

In the case of common shares or Tier 1A capital instruments held by the institution, eligible non-financial securities are securities that meet the Guideline's criteria[26] and operational requirements.[27] The balance at market value must be reported under **SECURITIES — EQUITIES — ELIGIBLE NON-FINANCIAL COMMON EQUITY SHARES.** An inflow is recognized for 50% of the balance in week 4.[28]

To be eligible, common shares and Tier 1A capital instruments must meet the Guideline's operational requirements.[29] The balance at market value must be reported under

[23] Guideline, chap. 5, para. 16-21 and 23-24.

[24] Guideline, chap. 5, para. 27.

[25] Guideline, chap. 5, para. 19.

[26] Guideline, chap. 2, subpara. 54c.

[27] Guideline, chap. 2, section 2.2.1.2.

[28] Guideline, chap. 5, para. 29 and Appendix 1, example 2.

[29] Guideline, chap. 2, section 2.2.1.2

SECURITIES — EQUITIES — ELIGIBLE FINANCIAL COMMON EQUITY. Inflows are recognized as follows: 12.5% in month 2, 25% in month 3, and 12.5% in month 4.[30]

Other equities

For all other shares or Tier 1A capital instruments, only the balance at market value must be reported under **SECURITIES — EQUITIES — OTHER EQUITIES**. No liquidity value will be attributed.

Units in pooled investment vehicles (e.g., exchange-traded funds) should also be reported under **SECURITIES — EQUITIES — OTHER EQUITIES.** Only the balance at market value must be reported. Given the varying degree of ability to liquidate positions and the dependence on a liquid market (even though some of these units may be exchange-traded), no liquidity value will be attributed.

Look-through approach

For equity total return swaps (TRS), the assets linked to TRS exposures will be given the same treatment as in the liquidity coverage ratio (LCR).[31]

Own securities held by FI

For own securities held by the financial institution (e.g., banker's acceptances, commercial paper), the balances and inflows in the contractual maturity time buckets must be reported in **SECURITIES — SECURITIES OF THE FINANCIAL INSTITUTION — NOT ELIMINATED**. Contractual inflows are recognized under the appropriate time bucket based on contractual maturity.

2.5. Mortgage loans

Inflows from mortgages should be reported under the appropriate time bucket based on contractual maturity.[32]

Mortgages (whether securitized or not) must be reported at appropriate values. Unsecuritized mortgages should be reported at book value when the assumptions adopted reflect current market conditions.

Balance at maturity

Financial institutions should separately report mortgage balances at maturity and periodic amortization payments as inflows on lines **BALANCE AT MATURITY** and **PAYMENTS,** respectively, under the appropriate mortgage type.

Payments

For "Payments", financial institutions have the choice to report blended mortgage amortization and interest payment inflows or suppress reporting of interest payment and report mortgage amortization payment inflows only FIs are to specify the alternative adopted in the **COMMENTS** column of the appropriate rows.

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[30] Guideline, chap. 5, para. 30 and Appendix 1, example 3.

[31] Guideline, chap. 2, para. 57 and Chapter 5, para. 17.

[32] Guideline, chap. 5, para. 25.

Securitized mortgages

For mortgages securitized and unsold, the balances at maturity and periodic amortization payments of the appropriate mortgage types should be reported under **LOANS – RESIDENTIAL/COMMERCIAL MORTGAGES – SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES – EULA – SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES (BALANCE AT MATURITY/PAYMENTS)**.

Balances at maturity and the balance of periodic amortization payments of mortgage securitized and unsold are treated as cash inflows in the first time bucket (i.e., week one) after applying the appropriate haircut (i.e., the Mortgage Backed Securities (MBS) — Agency MBS — Agency MBS (High-rated) haircut).

For mortgages securitized but unsold for an extended period of time, the AMF may request the reporting of any structural declines in loan value under unfavourable market conditions.

For mortgages securitized (and used to back Canada Housing Trust (CHT) swaps), both "balance at maturity" and "periodic amortization payments" in the appropriate mortgage types must be reported under **LOANS – RESIDENTIAL/COMMERCIAL MORTGAGES – SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES – ENCUMBERED SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES (BALANCE AT MATURITY)** in time buckets corresponding to the CHT swaps contractual maturity.

No cash inflow value will be received until maturity of CHT swaps. Balance at maturity inflows would be recognized as cash inflows in the contractual maturity time buckets.

For mortgages securitized and encumbered, the corresponding liability is not assumed to roll over.[33]

For mortgages sold to third parties, the balances and periodic amortization payments in the appropriate mortgage types must be reported under **LOANS – RESIDENTIAL/COMMERCIAL MORTGAGES – SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES – ENCUMBERED SECURITIZED RESIDENTIAL/COMMERCIAL MORTGAGES (BALANCE AT MATURITY/PAYMENTS)**.

Periodic amortization payments and balance at maturity inflows would be recognized in payment time buckets.

For mortgages securitized and encumbered, the corresponding liability is not assumed to roll over.[34]

For Mortgage-Backed Securities purchased from third parties, the balances and periodic amortization payments of the appropriate mortgage type must be reported under **SECURITIES – MORTGAGE-BACKED SECURITIES (MBS).**

The balance is treated as a cash inflow in the first time bucket (i.e., week one) after the appropriate haircut as prescribed in the Securities Haircut Table. For MBS that are subject to a 100% haircut, periodic amortization payments are recognized in each time bucket.

33 Guideline, chap. 5, para. 39.

34 Guideline, chap. 5, para. 39.

Unsecuritized mortgages

For unsecuritized mortgages, the balances at maturity and periodic amortization payments in the appropriate mortgage types must be reported under **LOANS – RESIDENTIAL/COMMERCIAL MORTGAGES – RESIDENTIAL/COMMERCIAL MORTGAGE INS/NOT INS (BALANCE AT MATURITY/PAYMENTS)**.

As mortgages are assumed to roll over, no cash inflow value is assigned to balances at maturity, and only contractual inflows (i.e., interest and amortization payments) are recognized as inflows (under **PAYMENTS** for each mortgage type).[35]

As mortgages are assumed to roll over, monthly inflows reported in the "Payments" lines are assumed to continue at the same level. Financial institutions may recognize inflows weekly in month 1 and monthly in month 2 to 12 with either of the following alternatives:

1) Contractual periodic amortization payments for each period;

or

2) Assuming monthly amortization payments will continue at the same level as amortization payment for the first month, i.e., inflows from payments for the first month will be recognized as inflows in each of the month 2-12 time buckets

The selected alternative must clearly be indicated in the "COMMENTS" field: 'CONTRACTUEL' if alternative 1 and '**1ER MOIS'**, if alternative 2.

2.6. Loans – Other than mortgages

Inflows from loans should be reported under the appropriate period based on contractual maturity.[36]

Loan interest inflows

Financial institutions have the choice to report blended loan amortization and interest payment inflows or suppress reporting of interest payment and report loan amortization payment inflows only under the appropriate type of loan. The alternative adopted must be consistent across all loan types. The selected alternative must clearly be indicated in the "COMMENTS" field.

Fixed maturity loans

For loans with fixed maturities, the balances and maturing payments in the appropriate loan types must be reported under **LOANS — PERSONAL/BUSINESS AND GOVERNMENT LOANS — PERSONAL/BUSINESS AND GOVERNMENT LOANS — FIXED MATURITY.**

Maturing payments are recognized as inflows at a rate of 50% in the contractual maturity time buckets for business and government loans, and at 100% for personal loans [37].

[35] Guideline, chap. 5, para. 25.

[36] Guideline, chap. 5, para. 25.

[37] See Appendix 1, example 18.

Open maturity loans[38]

For loans with no specific maturity, the financial institution must report the balance and the minimum contractual payments, depending on the type of loan, under:

1) **LOANS — PERSONAL/BUSINESS AND GOVERNMENT LOANS — PERSONAL LOANS — OPEN MATURITY (WITH MINIMUM PAYMENTS);**

or

2) **LOANS — CALL LOANS –– CALL LOANS (WITH MINIMUM PAYMENT)**;

or

3) **LOANS — OTHER LOANS — CREDIT CARDS**.

Contractual payments are recognized as inflows at a rate of 50% in the contractual maturity time buckets for business and government loans, and at 100% for the other types of loans.[39]

For open maturity loans without minimum contractual payments, the financial institution must report only the balances, depending on the type of loan, under:

1) **LOANS — PERSONAL/BUSINESS AND GOVERNMENT LOANS –– PERSONAL/BUSINESS AND GOVERNMENT LOANS — OPEN MATURITY (WITH NO MINIMUM PAYMENTS);**

or

2) **LOANS — CALL LOANS –– CALL LOANS (WITH NO MINIMUM PAYMENT)**.

No liquidity value will be attributed to these items.

Swapped intrabank loans[40]

Swapped intrabank loans are swaps within the same financial institution related to funding in one currency for lending or investing in another currency (e.g., Northbound or Southbound transactions). The balances and maturing inflows should be reported under **LOANS — OTHER LOANS — SWAPPED INTRABANK LOANS.**

Inflows are reported at gross swapped loan value when payments to different subsidiaries/entities are not to be netted against each other.

Intrabank inflows and outflows with the same subsidiary/entity can be netted provided they occur in the same time bucket.

Intrabank inflows and outflows with different subsidiary/entities cannot be netted against each other, report inflows at gross swapped loan value.

Affiliated entity loans

Affiliated entity loans have the same characteristics as "Personal/Business and Government Loans," with the exception that they are entered into between the financial institution and a related entity (for example, to a subsidiary). For loans provided to an

[38] Guideline, chap. 5, para. 32.

[39] See Appendix 1, example 18.

[40] Guideline, chap. 5, para. 33.

affiliated entity, the balances and inflows in each period should be reported under **OTHER LOANS — LOANS TO AFFILIATES.**

Customer's liability under acceptance[41]

The drawn part of a financial institution's guarantee for a customer under a banker's acceptance (BA) should be reported as a loan asset under **CUSTOMER'S LIABILITY UNDER ACCEPTANCE.** The balances and inflows of the underlying facility should be reported under **LOANS — OTHER LOANS — CUSTOMER'S LIABILITY UNDER ACCEPTANCE.** Inflows are recognized in the latest contractual maturity time buckets of the underlying facility.

Similar liquidity treatment is to be applied for all products drawn under multiple products arrangements.

2.7. Reverse repurchase agreements and security financing transactions

Reverse repurchase agreements and security financing transactions are treated similarly for NCCF purposes[42].

Regarding liquidity related to reverse repurchases and security financing, the balance and maturing inflows for each period (market value in both cases) must be reported under **REVERSE REPO (R.REPO) AND SECURITIES BORROWED (SB)**; inflows are recognized in the contractual maturity time buckets.

Collateral

For securities (other than common equity shares) received as collateral for reverse repos and security financing transactions, the balance and outflows upon contractual maturity of the related reverse repo/security financing transaction (both at market value of rehypothecatable collateral) should be reported in the **COLLATERAL — REVERSE REPO (R.REPO) COLLATERAL IN.** Collateral balances are treated as cash inflows in the first time bucket (i.e., week one) after the appropriate haircut as prescribed in the Securities Haircut Table. Collateral outflows are recognized in the contractual maturity buckets after the appropriate haircut.

For common equity shares or Tier 1A capital instruments received as collateral, the balance and outflows upon contractual maturity of the related reverse repo/security financing transaction (both at market value of rehypothecatable collateral) should be reported in the **COLLATERAL — REVERSE REPO (R.REPO) COLLATERAL IN** section. For equity collateral received, inflows are recognized in line with treatments described in section 2.4 (Securities — Common Equity Shares).

Where equity collateral is returned after the time buckets specified in section 2.4, the cumulative inflow (from week 1 up to the time period when the collateral is returned) is recognized in the time period when the collateral is returned.[43] For equity collateral returned, outflows are limited to the amount recognized as inflows.

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41 Guideline, chap. 5, para. 28.

42 Guideline, chap. 5, para. 21, 34 and 35.

43 See Appendix 1, example 13.

2.8. Other assets

Streamlined NCCF

For assets not reported in previous sections, institutions should report the balances of all these other assets under "Other assets." No liquidity value will be attributed.[44]

Comprehensive NCCF

Derivative-related assets (DRA)

Netting

Unless specified otherwise, derivative cash flows may be reported on a net basis by counterparty, only where a valid master netting agreement exists between the counterparties.[45]

Foreign exchange derivatives

For all foreign exchange (FX) related derivative assets (e.g., FX forward, cross currency swap), the balance only at market value should be reported under **OTHER ASSETS – DERIVATIVE-RELATED ASSETS (DRA) – CROSS CURRENCY SWAP ASSETS.**

In the USD balance sheet only, contractual cash flows (at nominal value) across all currencies in each period should be reported under **OTHER ASSETS – DERIVATIVE-RELATED ASSETS (DRA) – CROSS CURRENCY SWAP ASSETS.**

In all balance sheets other than USD, no liquidity value will be attributed. In the USD balance sheet, the sum of net contractual cash flow over all periods is treated as a cash inflow in week 1.

In the USD balance sheet, contractual cash flows (at nominal value) related to FX derivatives are to be reported in **FX DERIVATIVE** section in their contractual maturity buckets for each currency affected separately. These amounts are provided for information purposes only and would not affect NCCF position of the financial institution.[46]

Option-related cash flows

Options should be assumed to be exercised when they are 'in the money' to the option buyer as at reporting date. Institutions should calculate, in accordance with the valuation methodologies currently used by the institution, expected contractual cash flows related to options. The balance at market value and expected contractual cash inflows in each period should be reported under **OTHER ASSETS – DERIVATIVE-RELATED ASSETS (DRA) – OTHER ASSETS**. Expected contractual inflows are recognized in each time bucket.

DRA adjusted for qualifying equity futures

The "Other DRA" can be used to adjust offsetting cash flows for qualifying Delta One hedged equity futures. The liquidity value for the cash flows nets to 0. The full notional

44 Guideline, chap.5, para. 37.

45 Guideline, chap. 5, para. 36.

46 See Appendix 1, example 14.

value of the position is realized at expiry of the future as a combination of any calculated equity value and the DRA entry. [47]

All other DRA

The balance at market value and contractual inflows at nominal value should be reported for each period.[48] Inflows are recognized in the contractual maturity time buckets.[49]

Collateral

Where securities have been received as collateral for DRAs, the balance and outflows upon contractual maturity of the related DRA (both at market value of rehypothecatable collateral) should be reported in the **COLLATERAL – PLEDGING AND ENCUMBRANCES – DERIVATIVE AND CLEARING** section. Collateral balances are treated as cash inflows in the first time bucket (i.e., week one) after the appropriate haircut as prescribed in the Securities Haircut Table. Collateral outflows are recognized in the contractual maturity buckets after the appropriate haircut.

Where DRAs are collateralized with cash, the balance of net cash collateral received and outflows when the related DRA is settled should be reported under **OTHER LIABILITIES – CASH COLLATERAL RECEIVED**. The balance is recognized as an inflow in week 1, and the outflows are recognized in time buckets when related DRAs are settled.[50]

Collateral swaps

Where collateral swaps meet the conditions set out in the Guideline[51] for securities received as collateral, the balance and outflows upon contractual maturity of collateral swaps (both at market value of rehypothecatable collateral) are reported in the **COLLATERAL — REVERSE REPO (R.REPO) COLLATERAL IN** section. Collateral balances are treated as cash inflows in week one after the appropriate haircut as prescribed in the Securities Haircut Table. Collateral outflows are recognized in the contractual maturity buckets after the appropriate haircut.

Other assets

Cash collateral pledged

For the instructions for the section "Cash collateral pledged," refer to sections 3.9 and 3.10 of this document.

Commodities

Balances for precious metals, precious metal loans and other commodities should be reported under **COMMODITIES.** No liquidity value will be attributed.

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47 See Appendix 1, example 15

48 Guideline, chap. 5, para. 36.

49 See Appendix 1, examples 9 and 10.

50 See Appendix 1, examples 9 and 10.

51 Guideline, chap. 5, para. 22.

Other assets

Balances related to assets that are not mentioned in Chapter 5 of the Guideline should be reported in **OTHER ASSETS.** No liquidity value will be attributed.[52]

[52] Guideline, chap. 5, para. 37.

SECTION 3. CASH OUTFLOWS

3.1. Outflow overview

Outflows comprise either of outflows related to existing liabilities, and outflows from off-balance sheet items. Cash outflows should be recorded as negative amounts.

Outflow treatments for liabilities differ depending on whether the liability has a contractual maturity or whether the liability has no specific maturity (non-defined or open maturity). Liabilities for which outflows need to be reported are listed in the form. Detailed definitions and treatments are described in the Guideline.[53]

Outflows resulting from draws against existing credit and liquidity facilities have to be reported in the earliest contractual time bucket Definitions and treatments appear in the "Off-balance sheet items" section of the Guideline.[54]

3.2. Outflow maturities

Unless instructed otherwise, liabilities with contractual maturities are not assumed to roll over and cash outflows should be allocated to maturity buckets corresponding with their contractual maturity or earliest option date. However, exceptions noted in Chapter 5 of the Guideline include:

- Certain retail deposits and certain wholesale deposits are allowed to roll over at prescribed rates, as described in sections 3.3 and 3.5 below;
- Acceptances sponsored by financial institutions are allowed to roll over at prescribed rates;
- Securities sold short and funding guarantees to subsidiaries and branches should all be assumed to have immediate cash outflows (i.e., first maturity bucket);
- Credit and Liquidity facilities to extend funds at a future date are presumed to be drawn according to the prescribed rates in the earliest contractual time bucket;
- Balances related to on-balance-sheet liabilities that are not mentioned in Chapter 5 of the Guideline are to be reported in **OTHER LIABILITIES**. However, no cash outflow value is attributed to them.

3.3. Deposits

Outflows from deposits and funding liabilities should be reported under the appropriate time bucket based on contractual maturity. Unless instructed otherwise, deposits are generally run-off on a declining balance basis according to the run-off schedules. Run-off rates are summarized in the Guideline.

Deposit interest outflows
Financial institutions have the choice to report blended deposit repayment and interest payment outflows or suppress reporting of interest payment outflows.

[53] Guideline, Chapter 5, section 5.6.

[54] Guideline, Chapter 5, section 5.6.

3.4. Deposits – Retail

Retail deposits are assumed to renew, net of the portion that is assumed to run-off according to the specified run-off schedule. For select term deposits, run-offs occurring in the first four weeks are based on an equivalent monthly run-off rate, obtained by multiplying the weekly run-off rate by a factor of four. The tab "Annexe 1. Taux de référence" of the NCCF form specifies the term deposits to which this treatment applies.

The threshold for retail customer deposits is CAD$5 million or less on an individual account basis.[55]

The declining balance method designates the run-off rates applied to the remaining balance that was not run off during the previous corresponding time bucket.

Deposit insurance

The treatment of insured deposits differs depending on the characteristics of the deposit insurance schemes. Two types are defined:

- Type 1 insured — defined as deposit insurance that meets criteria set out in the Guideline;[56]
- Type 2 insured – defined as deposit insurance that does not meet criteria set out in the Guideline.[57]

Demand deposits

Only the "Balance" field should be populated for each type of demand deposit. Demand deposits are assumed to be renewed weekly for the first month and monthly from month 2 to month 12 with a portion of the remaining balance to be run-off based on rates of the appropriate deposit type. Only the balance for each type of demand deposit should be reported. Outflows are recognized based on the run-off rates indicated in the "Summary Table."[58]

Cashable term deposits

Cashable term products in which the customer has an option for early redemption should be treated as a demand deposit at the first customer option date.[59]

The balance of maturing deposits should be reported in each period. Outflows are recognized for maturing deposits and are then treated like demand deposits in subsequent periods (i.e., run-off on a declining basis). Run-off rates that are applicable are generally aligned with those for demand deposits with the same deposit characteristics indicated in the "Summary Table."[60]

[55] Guideline, chap. 5, para. 5.

[56] Guideline, chap. 2, para. 78.

[57] Guideline, chap. 2, para. 78

[58] Guideline, chap. 5 and Appendix 1, example 4.

[59] Guideline, chap. 5, para. 40.

[60] Guideline, chap. 5 and Appendix 1, example 5.

Term deposits

The original terms of retail term deposits to original term buckets of 30 days, 60 days, 90 days, 180 days, 1 year, and more than 1 year should be rounded. In cases where the original term is less than 30 days, the 30-day term bucket should be used; if the original term of a term deposit falls on the mid-point between two term buckets, the lower bucket should be used.

The balance and maturing term deposits with the same characteristics and rounded original term should be grouped and reported in the appropriate line.

The remaining balance of the term deposits are assumed to renew at the same tenor as the rounded original term of the deposits. Outflows are recognized for maturing deposits and are treated like demand deposits in subsequent periods (i.e., run-off on a declining basis) in the current period and all the renewal periods based on run-off rates in the Summary Table of Chapter 5 of the Guideline.[61]

Structured notes

Structured notes are debt products that incorporate derivatives that alter the risk and return profiles of the securities.

For retail structured notes where the customer has an option to call, the balance at market value and outflows at nominal amounts in the time bucket corresponding to the earliest call date should be reported under **DEPOSITS – RETAILED STRUCTURED NOTES (RSN) – RSN CUST CALL**. Outflows are recognized in the earliest call option time buckets.

For all other retail structured notes, the balance at market value and outflows at nominal amounts in the contractual maturity should be reported under **DEPOSITS – RETAILED STRUCTURED NOTES (RSN) – RSN NO CUST CALL.**

3.5. Deposits – Wholesale

Wholesale deposits, other than unsecured term deposits, are assumed to renew with a portion of the remaining deposit balance to be run off every time a renewal is to take place. An exception to this treatment is for non-operational demand deposits from financial institutions (FIs), where the full balance is assumed to run-off evenly during the first 4 weeks (i.e., 25% of the original balance each week). For select term deposits, run-offs occurring in the first four weeks should be based on an equivalent monthly run-off rate, obtained by multiplying the weekly run-off rate by a factor of four.[62]

Approved jurisdiction

Approved jurisdiction ("within approved jurisdiction") is a jurisdiction that adopts a run-off factor of 3% on stable deposits that have "type 1" deposit insurance, as defined in section 3.4 of this document.

Other jurisdiction ("outside of approved jurisdiction") are jurisdictions that do not adopt a run-off factor of 3% on stable deposits, whether the jurisdiction's deposit insurance scheme is categorized as "type 1" or "type 2," as defined in section 3.4 of this document.

[61] Guideline, chap. 5, para. 38 and 39 and Appendix 1, examples 6 and 7.

[62] Guideline, chap. 5, para. 38 and 39 and Appendix 1, example 17.

Demand deposits

Only the "Balance" field should be populated for each type of demand deposit. Accordingly, no amounts should be reported in the maturity buckets for demand deposits. Except for non-operational deposits from financial institutions, demand deposits are assumed to be renewed weekly for the first month and monthly from month 2 to month 12 with a portion of the remaining balance to be run off based on rates determined by deposit type.[63] Outflows are recognized based on the run-off rates in the "Summary table" of Chapter 5 of the Guideline.

Commercial, corporate and wholesale notice deposits, where withdrawal notification has been provided

For deposits requiring a notification of withdrawal, and when this notification has been provided by the customer, the amounts called in should be reported in the earliest contractual time buckets for withdrawal by the customer.

Any portion of notice deposits where the customer has the option to make partial withdrawals without notice should be reported in the earliest contractual time bucket.

Commercial and corporate operational term deposits (with less than 30 days original term)

Commercial and corporate operational term deposits with original term of 30 days or less are assumed to renew every 30 days at the same rate as commercial and corporate operational demand deposits. These deposits must be reported on the corresponding lines of the “COMMERCIAL, CORPORATE AND WHOLESALE DEMAND/NOTICE DEPOSITS (LESS THAN 30 DAYS ORIGINAL TERM) — OPERATIONAL” section. Outflows are recognized for maturing payments in the current period, as well as all renewal periods, based on the commercial and corporate operational demand deposit run off rates in the "Summary Table" of Chapter 5 of the Guideline.

All other term deposits

Term deposits from commercial, corporates, sovereigns, central banks, public sector entities, and multilateral development banks are assumed to run-off according to the rate in the Guideline and renew every 30 days.[64]

All other wholesale term deposits are not assumed to be renewed. The balance of maturing outflows should be reported in each period. Outflows are recognized in the contractual maturity time buckets.

Commercial, corporate and wholesale notice deposits (original term >30 days) — Operational & non-operational

Notice deposits from commercial, corporates, and wholesale clients where the notification requirement is longer than 30 days will be treated as term deposits for purposes of the NCCF.

[63] Guideline, chap. 5, para. 59 to 63.

[64] Guideline, Chap. 5, Table 1.

3.6. Deposits – Other

Customers' banker's acceptances issued

For banker's acceptances that the financial institution has guaranteed for its customers, the balance and contractual payments in each period should be reported under **DEPOSITS – OTHER DEPOSITS – CUSTOMERS' BANKER'S ACCEPTANCES ISSUED**.

Outflows are recognized in the contractual time buckets.[65]

Swapped intrabank deposits

Swapped intrabank deposits are swaps within the same financial institution related to funding in one currency for lending/investing in another currency (e.g., Northbound/Southbound transactions). They must be reported under **DEPOSITS — OTHER DEPOSITS — SWAPPED INTRABANK DEPOSITS**.

Outflows are reported at gross swapped deposit value, where payments to different subsidiaries/entities are not to be netted against each other.

Intrabank inflows and outflows with the same subsidiary/entity can be netted provided they occur in the same time bucket.

Affiliated entity deposits

Affiliated entity deposits have the same characteristics as "Wholesale Term Deposits", with the exception that they are received from a related entity (for example, from a subsidiary). The balances and contractual outflows of deposits received from an affiliated entity should be reported in each period under **OTHER DEPOSITS/GUARANTEES BAS—DEPOSITS FROM AFFILIATES.**

3.7. Wholesale issuance

Liabilities related to wholesale issuances are not assumed to roll over unless otherwise specified, and cash outflows should be allocated to maturity buckets corresponding to their contractual maturity or earliest option date.

Banker's acceptances (BAs)

For BAs issued by the reporting financial institution in its own name, the balances at market value and maturing payments at nominal amounts should be reported under **WHOLESALE ISSUANCE – WHOLESALE UNSECURED DEBT ISSUANCE – BANKER'S ACCEPTANCES.**

BAs should be grouped and reported in the appropriate line corresponding to their original terms "**1-/2-/3-month BA issued.**" For BAs with original terms shorter than one month, report them in the "1-month BA issued."

65 Guideline, Chap. 5, para. 45.

BAs are assumed to renew at the same tenor as the original term of the deposits. Outflows are recognized for maturing payments in the current period, as well as all renewal periods, based on a run-off rate of[66] 75%.

Wholesale/Commercial structured notes

For wholesale/commercial structured notes, where the customer has an option to call, the balances at market value and outflows at nominal amounts in the time bucket corresponding to the earliest call date should be reported under line **DEPOSITS – WHOLESALE ISSUANCE – OTHER UNSECURED DEBT ISSUANCE – WHOLESALE/COMMERCIAL STRUCTURED NOTES.** Outflows are recognized in the earliest call option time buckets.

For all other wholesale/commercial structured notes, the balances at market value and outflows at nominal amounts in the contractual maturity time bucket should be reported. Outflows are recognized in the contractual maturity time buckets.

Other FI-owned securitizations

The balance and outflows from other financial institution–owned securitizations where the funding is arranged through structured investment vehicles and is assumed not to roll over must be reported.[67] Outflows are recognized in the contractual maturity time buckets.

Other secured and unsecured wholesale issuance

For all other secured and unsecured wholesale issuances not discussed above, the balances and maturing outflows in each period should be reported in the corresponding rows of the relevant transaction types. Outflows are recognized in contractual maturity time buckets.[68]

3.8. Repurchase agreements and security financing transactions

Repurchase agreements (repos) and security financing transactions are treated similarly for the purposes of NCCF.[69]

For repos and securities financing cash legs, the balance and maturing outflows in each period (both at loan value) should be reported under **REPO AND SECURITIES LENT (SL).** Outflows are recognized in the contractual maturity time buckets.

Collateral

For securities (other than common equity shares) pledged as collateral for repos and security financing transactions, the balance and inflows upon contractual maturity of the related repo/security financing transaction (both at market value of collateral) should be reported in the **COLLATERAL — REPO COLLATERAL OUT** section. Collateral balances are treated as cash outflows in week one after the appropriate haircut as prescribed in the

[66] Guideline, chap. 5, para. 45.

[67] Guideline, chap. 5, para. 41.

[68] Guideline, chap. 5, para. 43 and 74.

[69] Guideline, chap. 5, para. 43 and 74.

Securities Haircut Table. Collateral inflows are recognized in the contractual maturity buckets after the appropriate haircut.

For common equity shares pledged as collateral, the balance and inflows upon contractual maturity of the related repo/security financing transaction (both at market value of collateral) should be reported in the **COLLATERAL — REPO COLLATERAL OUT** section.

In the case of collateral in the form of shares or Tier 1A equity instruments returned by the counterparty, inflows are recognized as described in section 2.4 "Securities – Common shares or Tier 1A equity instruments." Where equity collateral is returned after the time buckets specified in section 2.4, the cumulative inflow (from week 1 up to the time period when the collateral is returned) is recognized in the time period when the collateral is returned.[70]

3.9. Securities sold short

For existing liabilities related to securities sold short, the balance at market value should be classified under **SECURITIES SOLD SHORT** with no haircuts applied to the nominal amounts to be paid back. The balance is recognized as an outflow in the first time bucket (i.e., week 1).[71]

For reverse repo/security financing transactions related to short sales, the amounts in questions under the appropriate reverse repo/security financing lines should be reported.

Where cash margin is posted for short sales, only the balance should be reported under **OTHER ASSETS – CASH COLLATERAL PLEDGED.** No liquidity value will be attributed.[72]

3.10. Other liabilities

Streamlined NCCF

For liabilities not reported in previous sections, institutions should report the balances of all these other liabilities under the "Other liabilities." No liquidity value will be attributed.

Comprehensive NCCF

Derivative-related liabilities (DRL)

Foreign exchange derivatives

For all foreign exchange (FX) derivative-related liabilities (e.g., FX forward, cross currency swap), the balance only at market value should be reported under **OTHER LIABILITIES — DERIVATIVE-RELATED LIABILITIES (DRL) — FX AND CROSS CURRENCY SWAP LIABILITIES.**

In the USD balance sheet only, net contractual cash flows (at nominal value) across all currencies in each period should be reported under **OTHER LIABILITIES – DERIVATIVE-RELATED LIABILITIES (DRL) — FX AND CROSS CURRENCY SWAP LIABILITIES.**

70 See Appendix 1, example 12.

71 Guideline, chap. 5, para. 44.

72 See Appendix 1, example 11.

In all balance sheets other than USD, no liquidity value will be attributed. In the USD balance sheet, the sum of net contractual cash flow over all periods is recognized as a cash outflow in the first time bucket (i.e., week 1).

In the USD balance sheet, cash flows related to FX derivatives are to be reported in the **FX DERIVATIVE** section for each currency affected separately. They are for information purposes only.

Option-related cash flows

Institutions should calculate, in accordance with their existing valuation methodologies, expected contractual cash flows related to options. Options should be assumed to be exercised when they are 'in the money' to the option buyer as at reporting date.[73] The balance at market value and expected contractual cash outflows in each period should be reported under **OTHER LIABILITIES — DERIVATIVE-RELATED LIABILITIES (DRL) — OTHER DRL**. Expected contractual outflows are recognized in each time bucket.

All other DRL

The balance at market value and contractual outflows at nominal value should be reported for each period.[74] Outflows are recognized in the contractual maturity time buckets.
Unless specified otherwise, derivative cash flows may be reported on a net basis by counterparty, only where a valid master netting agreement exists.[75]

Collateral

Where securities have been pledged as collateral for DRLs, the balance and inflows upon contractual maturity of the related DRL (both at market value of collateral) should be reported under the **COLLATERAL – PLEDGING AND ENCUMBRANCES – DERIVATIVE AND CLEARING (D/C)** section. Collateral balances are treated as cash outflows in week one after the appropriate haircut as prescribed in the Securities Haircut Table. Collateral inflows are recognized in the contractual maturity buckets after the appropriate haircut.
Where DRLs are collateralized with cash, the balance of net cash collateral pledged and inflows when cash margins become unencumbered should be reported under **OTHER ASSETS – CASH COLLATERAL PLEDGED.** The balance is recognized as an outflow in the first time bucket (i.e., week 1) and inflows are recognized in time buckets when cash margins become unencumbered.

Collateral swaps

Where collateral swaps meet the conditions set out in the Guideline[76], for securities pledged as collateral, the balance and inflows upon contractual maturity of collateral swaps (both at market value of collateral) should be reported in the **COLLATERAL — REPO COLLATERAL OUT** section. Collateral balances are considered as cash outflows in week one after the appropriate haircut as prescribed in the Securities Haircut Table. Collateral inflows are recognized in the contractual maturity buckets after the appropriate haircut.

73 Guideline, chap. 5, para. 46.

74 Guideline, chap. 5, para. 46.

75 Guideline, chap. 5, para. 46.

76 Guideline, chap. 5, para. 22.

Other liabilities

Cash collateral received

For the institutions related to the section "Cash collateral received," refer to section 2.8 of this document.

Commodities short

The balances for precious metal sold short, precious metal deposits and other commodities should be reported under **COMMODITIES SHORT**. No liquidity value will be attributed.

Other liabilities

Similarly, the balances of liabilities, which are not mentioned in Chapter 5 of the Guideline, should be reported in **OTHER LIABILITIES**. No liquidity value will be attributed.[77]

3.11. Off-balance-sheet commitments

Commitments

In the case of credit facilities that are committed (irrevocable or conditionally revocable) or uncommitted (revocable), the balance should be reported by corresponding type in week 1 or in the earliest contractual time bucket. Where enforceable notification periods are required, the amounts should be reported in the time bucket upon expiry of the notice periods. The applicable draw rates are available in the Guideline.[78]

Streamlined NCCF

Regarding "Undrawn amounts related to credit and liquidity facilities to retail customers," institutions may choose to not differentiate transactors from non-transactors. In such cases, the institutions should report the full balances in the non-transactor category.

Committed credit facilities to non-financial corporates

Institutions that must use the Comprehensive NCCF must report undrawn amounts of committed credit facilities to non-financial corporates broken down to recognize the existence or absence of operational relationship with the client and to distinguish commercial vs. corporate clients. The definitions of these terms are available in the **Off-balance-sheet items** section in the Guideline.[79]

IG vs NIG for the balance of undrawn committed credit facilities to non-financial corporates can be reported if available. If unavailable, these balances should be reported based on their relationship characteristic of operational/non-operational for NIG committed credit facilities to non-financial corporates. IG vs NIG reporting for the balance of undrawn committed credit facilities to non-financial corporates is moved to the memo item section of the NCCF in a future release. The determination of the IG vs NIG classification must be

[77] Guideline, chap. 5, para. 74.

[78] Guideline, chap.5, Table 2 and Appendix 1, example 16.

[79] Guideline, section 5.6.

consistent with the internal classification of clients used for risk management purposes (for example, Borrower Risk Rating, or other internal metrics).

Liquidity facilities are considered drawn when external funding backed by the liquidity facilities has been raised by parties receiving the liquidity facilities.

Undrawn amounts related to liquidity facilities for ABCPs

Institutions having structured financing facilities that include the issuance of asset backed commercial paper should report the maturing debt in the corresponding time buckets on the line "Committed liquidity facilities to ABCPs – Maturing Balance." Only debt maturing in the first 4 weeks will be considered as outflows for the NCCF calculation.

Institutions must also report the unutilized capacity of these facilities under the line "Committed liquidity facilities to Unissued ABCPs (reported recognizing notice periods)," in the earliest contractual bucket where the capacity can be drawn. For example, unutilized capacity with a 35 days notice must be reported in month 2. Only unutilized that can be drawn in the first 4 weeks will be considered as outflows for the NCCF calculation.

Funding guarantee to subsidiaries

For funding guarantees to subsidiaries, the balance at total nominal amount should be reported under **OFF BALANCE SHEET COMMITMENTS — FUNDING GUARANTEE TO SUBSIDIARIES**. The balance is recognized as an outflow in the first time bucket (i.e., week 1).[80]

80 Guideline, chap. 5, para. 44.

SECTION 4. MEMO ITEMS

The items reported in this section are only for information purposes and do not impact the calculation of the NCCF.

4.1. Interest income

This section does not apply to systemically important financial institutions. When applicable, small and medium-sized deposit institutions in Categories I and II must report anticipated cash flows for eligible non-interest income and expenses.[81]

For both eligible non-interest income and operational expenses, the AMF expects a relatively high level of accuracy for the forecasts reported in the first four weeks. Institutions may be able to use appropriate estimation methods for months 2-12. The cash flows should reflect institutions' best estimates of non-interest income and operational expenses at the date of reporting.

Eligible non-interest income

Forecasted cash inflows from eligible non-interest income should be reported in the appropriate time buckets.

Eligible non-interest expenses

Forecasted cash outflows from operational expenses should be reported in the appropriate time buckets [82].

Eligible non-interest income	**Non-interest expenses**
Service charges on deposit accounts	Salaries
Fees for other payment services	Pension contributions and other staff benefits
Credit and debit card service fees	Rental of real estate
Standby, commitment and other fees	Premises, furniture and fixtures
Income from securitization of assets	Computers and equipment
Mortgage fees	Advertising, public relations and business development
Acceptance fees	Office and general expenses
Guarantees and letters of credit fees	Capital and business taxes
Payroll processing	Directors' fees and related expenses
Investment management and custodial services	Deposit insurance premiums
Mutual (investment) fund fees	Association, clearing and regulatory fees
Real estate commissions	Professional fees

81 Guideline, chap. 3, para. 174 to 187.

82 See Annual and Semi-annual Reporting Instructions

Underwriting fees on new issues	Income taxes
Securities commissions and fees	Other expenses not elsewhere reported
Other commissions and fees	
Any other income not itemized elsewhere.	

4.2. Expected lending activities

All institutions are required to report forecasted cash outflows related to future expected lending activities.

These outflows should be reported under the appropriate time bucket based on institutions' best estimates, and where applicable, be representative of new business opportunities as part of going-concern operations (i.e., both contractual and non-contractual outflows). Obligations to extend funds should be reported on a gross basis and not be netted against expected loan paydown activities. Estimates should be representative of the information available at the reporting date, including the volumes in the different stages of the project (factoring in assumptions of realization), fluctuations due to seasonality, and business growth plans and expectations.

For forecasted cash outflows related to future expected lending activities, no amounts should be reported in the "Balances" column (Column **L**). The cumulative forecast of loan outflows known to date should be reported in column ">365."

Cash outflows that institutions should consider as future funding expectations arising from lending activities include, but are not limited to:

a. Residential and Commercial mortgages;
b. Commercial real estate – Interim finance (construction loans);
c. Other contractual obligations to extend funds to clients;
d. Other expected non-contractual cash flows related to lending activities.

Institutions should have processes in place to identify sources of significant discrepancy between estimates, including planned growth, and cash flows.

Residential and commercial mortgages

Renewals: Expected funding of residential and commercial mortgage renewals should be reported under the appropriate time bucket based on the contractual maturity/renewal dates. Renewal estimates may consider renewal rates based on past experience or expectation of realization.

Contractual obligations (commitment accepted by the borrower) excluding renewals: Expected outflows related to funding of new mortgage commitments where the borrower has accepted the commitment and the financial institution is contractually obligated to fund, should be reported under the appropriate time bucket based on the contractual funding date. Cash outflow estimates should consider applicable commitment funding rates. Where specific data is unavailable for contractual obligations excluding renewals, amounts can be aggregated with other expected funding of mortgages.

Pre-approvals and rate guarantees: Expected outflows related to funding resulting from mortgage pre-approvals and rate guarantees should be reported under the appropriate time bucket based on the projected funding date. Cash outflow estimates should consider applicable funding rates. Where specific data is unavailable for expected funding of pre-approvals and rate guarantees, amounts can be aggregated with other expected funding of mortgages.

Other expected funding of mortgages: Report all other expected contractual mortgage funding outflows not captured in the above categories.

Commercial real estate – Interim finance (construction loans)

Construction loans include financing for lot servicing, construction or renovation of buildings of all types. This also includes financing for the land being improved. This category includes loan types with construction and/or completion risk, regardless of the type of property being financed, except for an individual building a single-family home as his residence.

Expected cash outflows related to funding of construction loans should be reported under the appropriate time bucket based on the projected draw dates. Financial institutions should estimate cash outflows to the best of their abilities, for example, by estimating the real cash outflows project by project, or for larger portfolios, to estimate the forward-looking draw rate for a given period, or another appropriate methodology.

Where specific data is unavailable for commercial real estate — interim finance (construction loans), amounts can be aggregated with other expected non-contractual cash flows related to lending activities.

Other contractual obligations to extend funds to clients

Expected cash outflows with respect to other contractual obligations to extend funds not captured elsewhere should be reported under the appropriate time bucket based on the projected funding dates. Where specific data is unavailable for other contractual obligations to extend funds to clients, amounts can be aggregated with other expected non-contractual cash flows related to lending activities.

Other expected non-contractual cash flows related to lending activities

Expected cash outflows with respect to other obligations to extend funds not captured elsewhere should be reported under the appropriate time bucket based on the projected funding dates. A future release of the NCCF template will remove the word “non-contractual” from the label to recognize the inclusion of some contractual amounts, where specific data is unavailable to the reporting financial institution.

APPENDIX 1. EXAMPLES

The lines starting with the term “Input” correspond to the inputs by the reporting institution, and the lines starting with the term “Calculated cash flows” show the Calculated cash flows embedded in the Forms. The details of the calculation are shown in the lines labeled “Calculation.”

In all the examples below, negative values are shown in parentheses ().

Example 1: Asset – High-rated provincial bond maturing in month 7

Reporting instructions: Report the balance in "Balances" column and again in the corresponding maturity bucket.

Treatment: 1.5% haircut in week 1; 1.5% at maturity.

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Provincial & agency government securities (high-rated)	1,000										1,000						
Calculated cash flows: Government securities	1,000	985									15						
Calculation	=1,000 x (100% -1.5%)										=1,000 x 1.5%						

Example 2: Asset – Non-FI common equity shares

Reporting instructions: Report balance only in column "Balances"

Treatment: Equity non-FI (50% inflow in week 4)

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Eligible non-financial common equity shares	1,000																
Calculated cash flows: Eligible non-financial common equity shares	1,000				500												
Calculation					= 1,000 x 50%.												

Example 3: Asset – FI common equity shares

Reporting instructions: Report balance only in column "Balances"

Treatment: Equity FI (12.5% in month 2, 25% in month 3, 12.5% in month 4)

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Financial common equity shares	1,000																
Calculated cash flows: Eligible financial common equity	1,000					125	250	125									
Calculation						= 1,000 x 12.5%	= 1,000 x 25%	= 1,000 x 12.5%									

Example 4: Liability – RSB Type 1 insured, stable demand deposits

Reporting instructions: Report balance only in column "Balances"

Treatment: RSB Type 1 insured, stable demand/cashable term (0.5% week 1-4; 0.75% month 2-12)

Liabilities	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: RSB Type 1 insured, stable demand deposits	(1,000)																
Calculated cash flows: RSB Type 1 insured, stable demand deposits	(1,000)	(5.00)	(4.98)	(4.95)	(4.93)	(7.35)	(7.30)	(7.24)								(6.82)	902.25
Calculation		= -1,000 x 0.5%	=(-1,000 + 5) x 0.5%	=(-1,000+ 5+ 4.98) x 0.5%	=(-1,000 + 5 +4.98 +4.95) x 0.5%	=(-1,000 +5 +4.98 +4.95 +4.93) x 0.75%	=(-1,000 +5 +4.98 +4.95 +4.93 +7.35) x 0.75%	=(-1,000 +5 +4.98 +4.95 +4.93 +7.35 +7.30) x 0.75%								=(-1,000 +5 +4.98 +4.95 +4.93 +7.35 +7.30 +7.24 +7.19 +7.13 +7.08	= -1,000 +5 +4.98 +4.95 +4.93 +7.35 +7.30 +7.24 +7.19 +7.13 +7.08

																+7.03 +6.97 +6.92 + 6.87) x 0.75%	+7.03 +6.97 +6.92 +6.87 +6.82

Example 5: Liability – Cashable term deposit, first customer option date in week 3

Reporting instructions: Report balance in the "Balances" column and again in the corresponding maturity bucket (i.e., week 3)

Treatment: RSB Type 1 insured, stable demand/cashable term (0.5% week 1-4; 0.75% month 2-12).

Liabilities	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: RSB Type 1 insured, stable, cashable term deposit	(1,000)			(1,000)													
Calculated cash flows: RSB Type 1 insured, stable, cashable term deposit	(1,000)			(5.00)	(4.98)	(7.43)	(7.37)	(7.31)	…							(6.89)	(911)
Calculation				=-1,000x 0.5%	=(-1,000+5)x 0.5%	=(-1,000 +5 +4.98)x 0.75%	=(-1,000 +5 +4.98 +7.43)x 0.75%	=(-1,000 +5 +4.98 +7.43 +7.37)x 0.75%								=(-1,000 +5 +4.98+ 7.43+ 7.37+ 7.31+ 7.26+ 7.20+ 7.15+ 7.10+ 7.04+ 6.99+ 6.99+	=-1,000 + 5 +4.98+ 7.43+ 7.37+ 7.31+ 7.26+ 7.20+ 7.15+ 7.10+ 7.04+ 6.99+ 6.99+ 6.94+ 6.89

																6.94)x 0.75%	

Example 6: Liability – Type 1 insured stable fixed term (60-day) deposit maturing in week 2

Reporting instructions: Report balance in the "Balances" column and again in the corresponding maturity bucket (i.e., week 2)

Treatment: RSB Type 1 insured, stable demand/cashable term/term deposits (0.5% week 1-4% equivalent month 1; 0.75% month 2-12)

Liabilities	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: RSB Type 1 insured, stable, fixed term (60-day) deposit	(1,000)		(1,000)														
Calculated cash flows: RSB Type 1 insured, stable, fixed term (60 day) deposit	(1,000)		(20)				(7.35)		(7.29)		(7.24)		(7.19)		(7.13)		(943.80)
Calculation			= -1,000 x 2%				= (-1,000+ 20)x 0.75%		= (-1,000 + 20 +7.35) x 0.75%		= (-1,000 + 20 +7.35 +7.29) x 0.75%		= (-1,000 + 20 +7.35 +7.29 +7.24) x 0.75%		= (-1,000 + 20 +7.35 +7.29 +7.24 +7.19) x 0.75%		= -1000 +20 +7.35 +7.29 +7.24 +7.19 +7.13

Example 7: Liability – Type 1 insured stable fixed term (1 year) maturing in week 4

Reporting instructions: Report balance in the "Balances" column and again in the corresponding maturity bucket (i.e., week 4)

Treatment: RSB Type 1 insured, stable demand/cashable term/term deposits (0.5% week 1-4 or 1-4% equivalent month 1; 0.75% month 2-12)

Liabilities	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: RSB Type 1 insured, stable, fixed term (1 year) deposit	(1,000)				(1,000)												
Calculated cash flows: RSB Type 1 insured, stable, fixed term (1 year) deposit	(1,000)				(20)												980
Calculation					= -1,000 x 2%												= -1,000 + 20

Example 8: Liability – 3-month BA issued – maturing in week 3

Reporting instructions: Report balance in the "Balances" column and again in the corresponding maturity bucket (i.e., week 3)

Treatment: 3-month BA (75% at maturity and each renewal period thereafter)

Liabilities	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: 3-month BA issued	(1,000)			(1,000)													
Calculated cash flows: 3-month BA issued	(1,000)			(750.0)				(187.5)			(46.9)			(11.7)			3.9
Calculation				=- 1,000 x 75%				= (- 1,000 + 750) x 75%			= (- 1,000 + 750 + 187.5) x 75%			= (- 1,000 + 750+ 187.5+ 46.9) x 75%			= -1,000 +750 + 187.5 + 46.9+ 11.7

Example 9: DRA with cash collateral – DRA position marked to market at $1,000 at the reporting date; maturing in week 3

For this transaction on DRA, we consider a profit of $1,000 requiring that the counterparty posts cash collateral. The reporting institution deposits the cash collateral at a financial institution and the DRA position therefore has a value of $1,000. Accordingly, for this transaction:

Assets = 2,000 (demand deposit at financial institutions + DRA)
Liabilities = 1,000 (cash collateral received)
P&L = +1,000

Reporting instructions:

1. Report under the line the "Demand Deposits at other FIs" the value of the collateral received and deposited at another FI (= 1,000) in the column "Balances."
2. Report under the line "Other DRA" the market value of the DRA position (i.e., value of cash collateral received) in the column "Balances" and again in the corresponding maturity bucket (week 3);
3. Report under the line "Cash collateral received for exchange-traded derivatives" the amount of cash collateral to be delivered in the "Balances" column (= -1,000), and again in the maturity bucket week 3 as an outflow.
4. Note that the P&L does not result in a reporting entry for NCCF purposes.

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset - Demand deposits at FIs	1,000																
Input: Asset - Other DRA	1,000			1,000													
Input: Liability - Cash collateral	(1,000)			(1,000)													

received for exchange - traded derivatives																	
Calculations																	
Calculated cash flows: Asset - Demand deposits at FIs	1,000	1,000															
Calculated cash flows: Asset - Other DRA	1000			1,000													
Calculated cash flows: Liability - Cash collateral received for exchange-traded derivatives	(1,000)			(1,000)													
Calculated cash flows: Net cumulative cash flows for the transaction		1,000															

Example 10: DRA with security collateral – DRA position marked to market at $1,000 at the reporting date; maturing in week 3

For this transaction, we consider a profit of $1,000 requiring that the counterparty posts security collateral. The DRA position has a value of $1,000. Accordingly, for this transaction:

Liabilities = 1,000 (DRA)
Liabilities = 0
P&L = +1,000

The security collateral is an **off-balance sheet item**.

Reporting instructions:

1. Report under the line "Other DRA" the market value of the DRA position in the column "Balances" and again in the corresponding maturity bucket (i.e., week 3).
2. Report in the section "Pledging and encumbrances – Derivative and clearing (D/C)," under the line of the corresponding security, the market value in the column "Balances" and again in the corresponding maturity bucket (i.e., week 3).

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset - Other DRA	1,000			1,000													
Input: Pledging and encumbrances - Derivative and clearing (D/C) - State, provincial & agency government securities (high-rated)	1,000			(1,000)													

Calculated cash flows																	
Calculated cash flows: Asset - Other DRA	1,000			1,000													
Calculated cash flows: Pledging and encumbrances - Derivative and clearing (D/C) - State, provincial & agency government securities (high-rated)	1,000	985		(985)													
Net cumulative cash flows for the transaction		985		15													

Example 11: Short sale – Short sale for $1,000 cash; marked to market at $1,200 at reporting date

For this example, we consider a short sale for $1,000. Given the increase in the value of the security sold short, the reporting institution has posted the difference between $1,000 and the market value of the security, which corresponds to $200. At the reporting date, the reporting institution has a loss of $200. The remaining proceeds of the short sale has been deposited at another financial institution ($800):

Assets = 1,000 (Demand deposit at FIs + Cash collateral pledged for short sales)
Liabilities = 1,200 (Securities sold short)
P&L = (200)

Reporting instructions:

1. Report under the line "Demand deposits at other FIs" in the column "Balances" an amount of $800.
2. Report under the line "Cash collateral pledged for short sales" the amount of cash collateral posted following movements in the market value of the security sold short, $200 (= $1,200 - $1,000).
3. Report under the corresponding line in the section "Securities Sold Short" the market value in the column "Balances" (= - $1,200), and again in the corresponding maturity bucket.

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset - Demand deposits at FIs	800																
Input: Asset - Cash collateral pledged for short sales	200																
Input: Liability - Sovereign & central bank government securities (high-rated)	(1,200)					(1,200)											

Calculated cash flows																	
Calculated cash flows: Demand deposits at FIs	800	800															
Calculated cash flows: Cash collateral pledged	200	0															
Calculated cash flows: Sovereign & central bank government securities (high-rated)	(1,200)	(1,200)															
Net cumulative cash flows for the transaction		(400)															

Example 12: Term repo – Term repo position maturing in week 7

For this example, we consider a repurchase agreement where the underlying security is a "State, provincial & agency government securities (high-rated)." The proceeds of the transaction are deposited by the reporting institution at another financial institution ($1,000). Given that the security needs to be repurchased in week 2, a cash outflow must be created:

Reporting instructions:

1. Report an amount of $1,000 under the line "Demand deposits at other FIs" in the "Balances" column;
2. Report under the line "Liabilities - Repo and securities lent (SL) - State, provincial & agency government securities (high-rated)" the amount required to repurchase the security on week 2 ($1,000);
3. Report under the line "Collateral - Repo collateral out - State, provincial & agency government securities (high-rated)" the value of the security on week 2 ($1,000).

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset - Demand deposits at FIs	1,000																
Input: "Liabilities - Repo and securities lent (SL) - State, provincial & agency government securities (high-rated)	(1,000)		(1,000)														
Input: Repo collateral in - State, provincial & agency	(1,000)		1,000														

government securities (high-rated)																	
Calculated cash flows																	
Calculated cash flows: Asset - Demand deposits at FIs	1,000	1,000															
Calculated cash flows: "Liabilities - Repo and securities lent (SL) - State, provincial & agency government securities (high-rated)"	(1,000)	0	(1,000)														
Calculated cash flows: Collateral - Repo collateral out - State, provincial & agency government securities (high-rated)	(1,000)	(985)	985														
Net cumulative cash flows for the transaction		15	(15)														

Example 13: Forward reverse repo – Forward reverse repo position maturing in week 2

For this example, we consider a reverse repurchase agreement where the underlying security is a " State, provincial & agency government securities (high-rated)."

Reporting instructions:

1. Report under the line "Demand deposits at other FIs" in the column "Balances" a negative amount of $1,000.
2. Report under the line "Assets — Reverse repo and securities borrowed (SB) - State, provincial & agency government securities (high-rated)" the value of the security on week 2 ($1,000).
3. Report under the line "Collateral - Repo collateral in - State, provincial & agency government securities (high-rated)" the value of the security on week 2 ($1,000).

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset* - Demand deposits at FIs	(1,000)																
Input: Asset – Reverse repo and securities borrowed (SB) - State, provincial & agency government securities (high-rated)	1,000		1,000														
Input: Collateral – Repo collateral in - State, provincial & agency government securities (high-rated)	1,000		(1,000)														

*While the form does not allow negative amounts for demand deposits, for this example, the negative amount shown above represents the change to demand deposits resulting from the transaction, assuming no other funding source.																	
Calculated cash flows																	
Calculated cash flows: Asset - Demand deposits at FIs	(1,000)	(1,000)															
Calculated cash flows: Asset – Reverse repo and securities borrowed – State, provincial & agency government securities (high-rated)	1,000	0	1,000														
Calculated cash flows: Collateral - Repo collateral in - State, provincial & agency government securities (high-rated)	1,000	985	(985)														
Net cumulative cash flows for the transaction		(15)	15														

Example 14: FX derivative

For reporting of the balance of FX derivatives at mark-to-market (MTM), it should only be reported in the balance column of one currency tab. The currency tab chosen for reporting the balance depends on which balance sheet the FX derivative was originally recorded in. If the MTM balance has already been reported in a currency balance sheet other than the USD tab, the balance should not be reported again in the USD currency tab. For the reporting of cash flows related to the FX derivative, report all cash flows, regardless of currency, in the USD tab only.

For example, for an FX forward swapping EUR for CAD$1,000 on week 3, originally recorded in the Canadian-dollar balance sheet. Assuming as at the NCCF reporting date, the EUR pay leg is ($1,200) in Canadian Dollar Equivalent, and the receive leg is $1,000, there is a mark-to-market loss of $200 for this position.

CAD balance sheet:
Assets: 0
Liability: 200 (DRL)
P&L: - 200

Report the following in the CAD balance sheet. Note that there are no resulting cash flows on the CAD balance sheet:

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Liability — Derivative-related liabilities (DRL) - FX and cross currency swap liabilities	(200)																

Report the following in the USD balance sheet:

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Asset – Derivative-related assets (DRA) - FX and cross currency swap assets	0			1,000													
Input: Liability — Derivative-related liabilities (DRL) - FX and cross currency swap liabilities	0			(1,200)													

Use the memo item section "FX derivatives" to include the details about the currencies:

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: FX and cross currency swap	0			1,000													

assets - CAD																	
Input: FX and cross currency swap liabilities - CAD	(200)																
Input: FX and cross currency swap liabilities - EUR	0			(1,200)													

Calculated cash flows (in the USD balance sheet)

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Calculated cash flows: Liabilities– Derivative-related assets (DRA) - FX and cross currency swap assets	0	1,000															

Calculated cash flows: Liability – Derivative-related liabilities (DRL) – FX and cross currency swap liabilities	0	(1,200)																
Net cumulative cash flows for the transaction		(200)																

Example 15 – DRA adjustment for qualifying equity futures

3-month Delta hedge equity future

In this example, the strategy considered is a Delta hedging using equity futures funded with unsecured funding (wholesale/commercial structured notes) due on month 3. As noted above, the liquidity value for the cash flows nets to 0; the full notional value of the position is realized at expiry of the future calculated as a combination of any calculated equity value and the DRA.
Eligible equities consist of 1,000 Non-FI common equity, 1,000 FI common equity, 1,000 Other equities.

Step 1: Report equities balances in column "balances" under corresponding lines

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Eligible non-financial common equity shares	1,000																
Input: Eligible financial common equity	1,000																
Input: Other equities	1,000																

Step 2: Report unsecured funding under corresponding lines: report balance in column "balances" and again in the corresponding maturity bucket

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Wholesale/commercial structured notes	(3,000)						(3,000)										

Step 3: Consider calculated cash flows from reported equities and unsecured funding from structured notes, and the corresponding total (calculated as the sum) of each maturity bucket

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Calculated cash flows: Eligible non-financial common equity shares	1,000				500												
Calculation					=1,000 x 50%												
Calculated cash flows: Eligible financial common equity	1,000					125	250	125									
Calculation						=1,000 x 12.5%	=1,000 x 25%	=1,000 x 12.5%									
Calculated cash flows:	1,000																

Other equities (no value attributed)																	
Calculated cash flows: Structured notes	(3,000)						(3,000)										
Calculation							=-3,000 x 100%										
Total of the transaction					50	125	(2,750)	125									
Calculation	= 1,000+ 1,000+ 1,000- 3,000				=50+ 0+ 0+ 0	= 0+ 125+ 0+ 0	0+ 250+0 -3,000	= 0+ 125+ 0+ 0									

Step 4: Report in each maturity bucket of the line "Other DRA" the corresponding negative amounts of the line "Total of the transaction" (= -1 x Amounts)

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Other DRA					(50)	(125)	2,750	(125)									(2,000)

Example 16 – Off-balance-sheet items – Credit and liquidity facilities

a. Committed credit facilities to non-financial corporates without an operational relationship, $1,000 with earliest draw by the client available on week 1 and 1,000 available on week 4 (i.e., assumes that the notice is given by the client on week 1, which makes the funds available on week 4).

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Input: Committed credit facilities to non-financial corporates; of which: higher quality securities; no operational relationship	(2,000)	(1,000)			(1,000)												
Calculated cash flows: Committed credit facilities to non-financial corporates; of which: NIG; no operational relationship	(2,000)	(150)			(150)												
Calculation		= -1,000 x 15%			= -1,000 x 15%												

b. For the following example, we consider a committed liquidity facility backing ABCP. The current outstanding debt is 1,000 with 400 maturing in the first four weeks, 100 each week, and 600 maturing in month 2. Additionally, 1,000 of unutilized capacity is available, with 100 available with a 25 days notice and 900 with a 35 days notice.

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Committed liquidity facilities to ABCPs - Maturing balance	(1,000)	(100)	(100)	(100)	(100)	(600)											
Calculated cash flows: Committed liquidity facilities to ABCPs - Maturing balance	(1,000)	(100)	(100)	(100)	(100)												
Calculation		= - 100 x 100%	= - 100 x 100%	= - 100 x 100%	= - 100 x 100%	= - 600 x 0											
Input: Committed liquidity facilities to unissued ABCPs (reported recognizing notice periods)	(1,000)				(100)	(900)											

Input: Committed liquidity facilities to unissued ABCPs (reported recognizing notice periods)	(1,000)				(100)												
Calculation					= - 100 x 100%	= - 900 x 0											

Example 17: Wholesale deposits

For this example, we consider a deposit from a financial institution, totaling $1,100, of which 1,000 requires an advance notice of 35 days and 100 that is available on demand:

	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Wholesale notice (all other counterparties, including other FIs and other legal entities)	(1,000)					(1,000)											
Calculated cash flows: Wholesale notice (all other counterparties, including other FIs and other legal entities)	(1,000)					(1,000)											
Calculation						= -1,000 x 100%											
Input: Commercial, corporate and wholesale non -operational,	(100)																

Insured (FI) deposit																	
Calculated cash flows: Commercial, corporate and wholesale non-operational, insured (FI) deposit	(100)	(25)	(25)	(25)	(25)												
Calculation		= -100 x 25%	= -100 x 25%	= -100 x 25%	= -100 x 25%												

Example 18 – Business and government loans

For this example, we consider business and government loans, both with fixed maturities and open maturities. The balance of loans with fixed maturities for open maturities is 1,000 each. Payments and balances at maturities are reported in the corresponding maturity buckets when they are due:

Assets	Balances	Week				Mth											>365
		1	2	3	4	2	3	4	5	6	7	8	9	10	11	12	
Input: Business and government loans – Fixed maturity	1,000	20	20	20	20	50	50	50	50	50	50	50	50	50	50	50	370
Calculated cash flows: Business and government loans – Fixed maturity	1,000	10	10	10	10	25	25	25	25	25	25	25	25	25	25	25	685
Calculation		= 20 x 50%	= 20 x 50%	= 20 x 50%	= 20 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	
Input: Business and government loans – Open maturity (with minimum payment)	1,000	10	10	10	10	50	50	50	50	50	50	50	50	50	50	50	410
Calculated cash flows: Business and government loans – Open	1,000	5	5	5	5	25	25	25	25	25	25	25	25	25	25	25	705

maturity (with minimum payment)																	
Calculation		= 10 x 50%	= 10 x 50%	= 10 x 50%	= 10 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	= 50 x 50%	