

## 2016 Q4 Basel III leverage ratio

(CA\$ in thousands)

| On-balance sheet exposures                 |  |           |
|--|--|-----------|
| 1  | On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)                 | 218,097   |
| 2  | (Asset amounts deducted in determining Basel III "all-in" Tier 1 capital)  |           |
| 3  | <b>Total on-balance sheet exposures</b> (excluding derivatives and SFTs) (sum of lines 1 and 2)  | 218,097   |
| Derivative exposures                       |  |           |
| 4  | Replacement cost associated with all derivative transactions (i.e. net of eligible cash variation margin)                                |           |
| 5  | Add-on amounts for PFE associated with all derivative transactions   |           |
| 6  | Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework |           |
| 7  | (Deductions of receivables assets for cash variation margin provided in derivative   |           |
| 8  | (Exempted CCP-leg of client cleared trade exposures)   |           |
| 9  | Adjusted effective notional amount of written credit derivatives   |           |
| 10   | (Adjusted effective notional offsets and add-on deductions for written credit derivatives)   |           |
| 11   | <b>Total derivative exposures (sum of lines 4 to 10)</b>   |           |
| Securities financing transaction exposures |  |           |
| 12   | Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions   |           |
| 13   | (Netted amounts of cash payables and cash receivables of gross SFT assets)   |           |
| 14   | Counterparty credit risk (CCR) exposure for SFTs   |           |
| 15   | Agent transaction exposures  |           |
| 16   | <b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>  |           |
| Other off-balance sheet exposures          |  |           |
| 17   | Off-balance sheet exposure at gross notional amount  | 55,212    |
| 18   | (Adjustments for conversion to credit equivalent amounts)  | - 41,536  |
| 19   | <b>Off-balance sheet items (sum of lines 17 and 18)</b>  | 13,676    |
| Capital and Total Exposures                |  |           |
| 20   | <b>Tier 1 capital</b>  | 40,913    |
| 21   | <b>Total Exposures (sum of lines 3, 11, 16 and 19)</b>   | 231,773   |
| Leverage Ratios                            |  |           |
| 22   | <b>Basel III leverage ratio</b>  | <b>18</b> |