



**Ontario**

**Deposit Insurance  
Corporation of Ontario**

**Société ontarienne  
d'assurance-dépôts**

## **MONTHLY AND ANNUAL INFORMATION RETURNS**

### **Summary of Changes to Reporting Requirements**

November 2010

# MONTHLY AND ANNUAL INFORMATION RETURNS

## Summary of Changes to Reporting Requirements

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### **CASH AND INVESTMENTS**

Information was previously grouped according to date of maturity (e.g. 100 days or less) and was primarily used to monitor liquidity. Information will now be grouped according to the risk weighting of assets defined in the Regulation and additional detail will be required for investments with a risk weighting of 100% (field A28). [\[link to schedules\]](#)

### **LIQUID ASSETS**

Liquid assets within each cash and investment category will be collected separately. [\[link to schedule\]](#)

### **BROKER DEPOSITS**

In order to help DICO monitor sources of funding, credit unions will be required to report a summary of deposits from broker channels. [\[link to schedules\]](#)

### **COMMERCIAL AND AGRICULTURAL LOANS**

Information pertaining to commercial lending will be expanded to include schedules in the below areas. The requirement to report this information was first communicated in DICO's Guidance Note: Lending dated February 2007.

#### **Risk Ratings**

Credit unions are expected to employ a risk rating system for all loans other than personal and residential mortgage loans. The requirement to report this information was first communicated in DICO's *Guidance Note: Lending* dated February 2007 (see *Sector Release # 64* support materials). The below noted table groups commercial and agricultural loans according to the six rating categories outlined in the Guidance Note and DICO's *Sound Business and Financial Practices Reference Manual*. [\[link to schedule\]](#)

#### **Industry Concentration**

The Working Group recommended that commercial and agricultural loans be classified using the North American Industry Code Standards (NAICS). DICO has adopted this recommendation and will require credit unions to report the aggregate amount of commercial and agricultural loans according to the NAICS primary categories illustrated below.

[\[link to schedule\]](#)

#### **Syndicated loans**

Credit unions will be required to report their five largest syndicated loan exposures along with the assigned risk rating. [\[link to schedule\]](#)

#### **Large loan exposures**

Credit unions will be required to report a summary of the number and aggregate amount of outstanding large authorized credit facilities. [\[link to schedule\]](#)

#### **Risk weighted loans**

The risk weighting of all assets according to the Regulation, including loans, has been incorporated into the revised MIR and AIR forms. [\[link to schedule\]](#)

### **REGULATORY CAPITAL**

For greater transparency, a detailed calculation of regulatory capital, including leverage and BIS ratios will be incorporated into the revised MIR and AIR forms. Most of the fields on this schedule are auto-filled using values from other sections of the form. [\[link to schedules\]](#)

### **OFF-BALANCE SHEET ACTIVITY**

A schedule has been added to the forms in order to calculate the risk weighted values of off-balance sheet exposures according to O. Reg. 237/09 subsections 18(3) to 18(6).

[\[link to schedule\]](#)

# Appendix of Schedules

## Cash and Investments

		Amount	Risk Weight
Cash	A01 ▶	\$	0.00 %
Deposits in a League, Central 1, FCDQ, or CCD	A03 ▶	\$	0.00 %
Deposits in a deposit taking institution in Canada (e.g. Banks and Trust cos.)	A05 ▶	\$	20.00 %
Cheques and other items in Transit	A07 ▶	\$	20.00 %
<b>Total Cash and Deposits</b>	<b>A09 ▶</b>	<b>\$</b>	

		Amount	Risk Weight
Federal government issued securities (incl. government agencies)	A10 ▶	\$	0.00 %
Provincial government issued securities (incl. government agencies)	A12 ▶	\$	0.00 %
Investments accounted for using equity method	A14 ▶	\$	0.00 %
Securities secured by mortgages and guaranteed by CMHC	A16 ▶	\$	0.00 %
Commercial paper, banker's acceptances and similar instruments guaranteed by a deposit-taking institution in Canada	A18 ▶	\$	20.00 %
Securities issued by a municipality	A20 ▶	\$	20.00 %
Securities issued by a school board, university, hospital etc.	A22 ▶	\$	20.00 %
Securities that are secured by mortgages NOT guaranteed by CMHC	A24 ▶	\$	35.00 %
League shares	A26 ▶	\$	100.00 %
Other investments	A28 ▶	\$	100.00 %
<b>Total investments</b>	<b>A30 ▶</b>	<b>\$</b>	

## Other Investments

Investment Category	Aggregate Dollar Amount		Name	Largest Single Investment		% Capital	Accounting Value
	Cost	Accounting Value		Cost	Accounting Value		
Equities	A32 ▶	A33 ▶	A34 ▶	A35 ▶	A36 ▶	A37 ▶	A37 ▶
Income trusts	A38 ▶	A39 ▶	A40 ▶	A41 ▶	A42 ▶	A43 ▶	A43 ▶
Mutual Funds	A44 ▶	A45 ▶	A46 ▶	A47 ▶	A48 ▶	A49 ▶	A49 ▶
Corporate bonds	A50 ▶	A51 ▶	A52 ▶	A53 ▶	A54 ▶	A55 ▶	A55 ▶
Other debt instruments	A56 ▶	A57 ▶	A58 ▶	A59 ▶	A60 ▶	A61 ▶	A61 ▶
Derivatives	A62 ▶	A63 ▶	A64 ▶	A65 ▶	A66 ▶	A67 ▶	A67 ▶
Other investments	A68 ▶	A69 ▶	A70 ▶	A71 ▶	A72 ▶	A73 ▶	A73 ▶
<b>Total costs - other investments</b>	<b>A74 ▶</b>	<b>A75 ▶</b>					

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## Liquid Assets

		Amount held for liquidity	Risk Weight
Cash held for liquidity	A02	\$	0.00 %
Deposits in a League, Central 1, FCDQ, or CCD held for liquidity	A04	\$	0.00 %
Deposits in a deposit taking institution in Canada (e.g. Banks and Trust cos.) held for liquidity	A06	\$	20.00 %
Cheques and other items in Transit held for liquidity	A08	\$	20.00 %
Federal government issued securities (incl. government agencies) held for liquidity	A11	\$	0.00 %
Provincial government issued securities (incl. government agencies) held for liquidity	A13	\$	0.00 %
Investments accounted for using equity method held for liquidity	A15	\$	0.00 %
Securities secured by mortgages and guaranteed by CMHC held for liquidity	A17	\$	0.00 %
Commercial paper, banker's acceptances and similar instruments guaranteed by a deposit-taking institution in Canada held for liquidity	A19	\$	20.00 %
Securities issued by a municipality held for liquidity	A21	\$	20.00 %
Securities issued by a school board, university, hospital etc. held for liquidity	A23	\$	20.00 %
Securities that are secured by mortgages NOT guaranteed by CMHC held for liquidity	A25	\$	35.00 %
League shares held for liquidity	A27	\$	100.00 %
Other investments held for liquidity	A29	\$	100.00 %

## Broker Deposits

### Broker Deposits

Does the credit union's policy permit the use of brokered deposits? D11  Yes  No

If yes, what is the policy limit expressed as percentage of deposits? D12 %

Please enter the dollar amount of brokered deposits at the end of the reporting period D13 \$

Brokered deposits % of total deposits D14 %

Name of broker	Amount of Deposits
Broker 1 <span>D15</span>	\$ <span>D16</span>
Broker 2 <span>D17</span>	\$ <span>D18</span>
Broker 3 <span>D19</span>	\$ <span>D20</span>

## Risk Ratings for Commercial and Agricultural Loans (Class 2 only)

Risk Rating	Commercial		Agricultural		Total	
	# of Loans	Amount	# of Loans	Amount	# of Loans	Amount
Undoubted	<span>L99</span>	<span>L100</span>	<span>L101</span>	<span>L102</span>	<span>L103</span>	<span>L104</span>
Low	<span>L105</span>	<span>L106</span>	<span>L107</span>	<span>L108</span>	<span>L109</span>	<span>L110</span>
Moderate	<span>L111</span>	<span>L112</span>	<span>L113</span>	<span>L114</span>	<span>L115</span>	<span>L116</span>
Cautionary (Watch List)	<span>L117</span>	<span>L118</span>	<span>L119</span>	<span>L120</span>	<span>L121</span>	<span>L122</span>
Unsatisfactory	<span>L123</span>	<span>L124</span>	<span>L125</span>	<span>L126</span>	<span>L127</span>	<span>L128</span>
Unacceptable	<span>L129</span>	<span>L130</span>	<span>L131</span>	<span>L132</span>	<span>L133</span>	<span>L134</span>
<b>TOTAL</b>	<span>L135</span>	<span>L136</span>	<span>L137</span>	<span>L138</span>	<span>L139</span>	<span>L140</span>

# Appendix of Schedules

## Loans by NAICS Category (Class 2 only)

		# of loans	Exposure (\$)
NAICS - Agriculture (11)	<input type="text" value="L230"/>	<input type="text"/>	<input type="text" value="L231"/>
NAICS - Mining/Oil/Gas (21)	<input type="text" value="L232"/>	<input type="text"/>	<input type="text" value="L233"/>
NAICS - Utilities (22) - number	<input type="text" value="L234"/>	<input type="text"/>	<input type="text" value="L235"/>
NAICS - Construction (23)	<input type="text" value="L236"/>	<input type="text"/>	<input type="text" value="L237"/>
NAICS - Manufacturing (31-33)	<input type="text" value="L238"/>	<input type="text"/>	<input type="text" value="L239"/>
NAICS - Wholesale (41)	<input type="text" value="L240"/>	<input type="text"/>	<input type="text" value="L241"/>
NAICS - Retail (44-45)	<input type="text" value="L242"/>	<input type="text"/>	<input type="text" value="L243"/>
NAICS - Transportation/Warehousing (48-49)	<input type="text" value="L244"/>	<input type="text"/>	<input type="text" value="L245"/>
NAICS - Information/Cultural (51)	<input type="text" value="L246"/>	<input type="text"/>	<input type="text" value="L247"/>
NAICS - Finance/Insurance (52)	<input type="text" value="L248"/>	<input type="text"/>	<input type="text" value="L249"/>
NAICS - Real Estate-Total (53)	<input type="text" value="L250"/>	<input type="text"/>	<input type="text" value="L251"/>
NAICS - Professional/Scientific/Tech1 (54)	<input type="text" value="L252"/>	<input type="text"/>	<input type="text" value="L253"/>
NAICS - Management Companies (55)	<input type="text" value="L254"/>	<input type="text"/>	<input type="text" value="L255"/>
NAICS - Administration Companies (56)	<input type="text" value="L256"/>	<input type="text"/>	<input type="text" value="L257"/>
NAICS - Education (61)	<input type="text" value="L258"/>	<input type="text"/>	<input type="text" value="L259"/>
NAICS - Health Care (62)	<input type="text" value="L260"/>	<input type="text"/>	<input type="text" value="L261"/>
NAICS - Arts/Recreation/Entertainment (71)	<input type="text" value="L262"/>	<input type="text"/>	<input type="text" value="L263"/>
NAICS - Accommodation/Food service (72)	<input type="text" value="L264"/>	<input type="text"/>	<input type="text" value="L265"/>
NAICS - Other Services (81)	<input type="text" value="L266"/>	<input type="text"/>	<input type="text" value="L267"/>
NAICS - Public Administration/Govt (91)	<input type="text" value="L268"/>	<input type="text"/>	<input type="text" value="L269"/>
<b>NAICS - Total</b>	<input type="text" value="L270"/>		<input type="text" value="L271"/>

## Syndicated Loans

### Syndicated Loans

Aggregate Amounts	# Outstanding	\$ Outstanding	# in arrears	\$ amount in arrears
<input type="text" value="L201"/>	<input type="text" value="L202"/>	<input type="text" value="L203"/>	<input type="text" value="L204"/>	<input type="text" value="L205"/>

Largest Five Loans	Original Amount (\$)	Outstanding Amount (\$)	Risk Rating	Syndicating CU (Y/N)	If no, enter name of syndicating credit union
1	<input type="text" value="L206"/>	<input type="text" value="L208"/>	<input type="text" value="L207"/>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A	<input type="text" value="L209"/>
2	<input type="text" value="L210"/>	<input type="text" value="L211"/>	<input type="text" value="L212"/>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A	<input type="text" value="L214"/>
3	<input type="text" value="L215"/>	<input type="text" value="L216"/>	<input type="text" value="L217"/>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A	<input type="text" value="L219"/>
4	<input type="text" value="L220"/>	<input type="text" value="L221"/>	<input type="text" value="L222"/>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A	<input type="text" value="L224"/>
5	<input type="text" value="L225"/>	<input type="text" value="L226"/>	<input type="text" value="L227"/>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> N/A	<input type="text" value="L228"/>

# Appendix of Schedules

## Large Loan Exposures

Amount	Personal		Commercial		Agricultural		Institutional	
	#	\$M	#	\$M	#	\$M	#	\$M
Larger \$1M	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
Larger \$5M	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
Larger \$10M	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
Larger \$25M	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<b>Total</b>		\$		\$		\$		\$

## Risk Weighted Loans (Class 2 Only)

					Amount	Risk Weight
Loans secured by cash, member deposits or government securities				RL01	\$ <input type="text"/>	0.00 %
Loans to or guaranteed by federal or provincial governments				RL02	\$ <input type="text"/>	0.00 %
Loans to or guaranteed by a school board, university, hospital or municipality etc. [Instit. Loans]				RL03	\$ <input type="text"/>	20.00 %
Personal loans				RL04	\$ <input type="text"/>	75.00 %
Agricultural loans				RL05	\$ <input type="text"/>	75.00 %
<b>Residential mortgage loans</b>						
Residential mortgage loans insured under the NHA, guaranteed or insured by a government agency or insured by a licenced mortgage insurer and guaranteed by the Government of Canada.				RL06.1	\$ <input type="text"/>	0.00 %
Residential mortgage loans - uninsured				RL06.2	\$ <input type="text"/>	35.00 %
Residential mortgage loans - uninsured (90 days or more in arrears)				RL06.3	\$ <input type="text"/>	100.00 %
Portion of mortgages insured by licenced mortgage insurer with no credit rating and not guaranteed by the Government of Canada				RL06.4	\$ <input type="text"/>	100.00 %
Where other risk weighting applies (based on external credit rating agency)	DBRS AAA to AA (low)	S&P/FITCH AAA to AA -	Moody's Aaa to Aa3	RL06.5	\$ <input type="text"/>	20.00 %
	A (high) to A (low)	A+ to A-	A1 to A3	RL06.6	\$ <input type="text"/>	0.00 %
	BBB (high) to B (low)	BBB+ to B-	Ba1 to B3	RL06.7	\$ <input type="text"/>	0.00 %
	CCC	Below B-	Below B3	RL06.8	\$ <input type="text"/>	0.00 %
<b>Commercial loans</b>						
Authorizations that do not exceed (the lesser of 0.035% of assets or \$1.25 million)				RL07.1	\$ <input type="text"/>	75.00 %
Authorizations greater than (0.035% of assets or \$1.25 million)				RL07.2	\$ <input type="text"/>	100.00 %
Where other risk weighting applies (based on external credit rating agency)	DBRS AAA to AA (low)	S&P/FITCH AAA to AA -	Moody's Aaa to Aa3	RL07.3	\$ <input type="text"/>	20.00 %
	A (high) to A (low)	A+ to A-	A1 to A3	RL07.4	\$ <input type="text"/>	50.00 %
	BBB (high) to B (low)	BBB+ to B-	Ba1 to B3	RL07.5	\$ <input type="text"/>	100.00 %
	CCC	Below B-	Below B3	RL07.6	\$ <input type="text"/>	150.00 %
Other loans				RL08	\$ <input type="text"/>	100.00 %
<b>Total net loans</b>				RL09	\$	

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## Regulatory Capital

		Amount
Gross tier 1 capital (E28)	<a href="#">?</a> RW01 ▶	\$
<b>Deduct:</b>		
Goodwill	<a href="#">?</a> RW02 ▶	\$
Intangible assets	<a href="#">?</a> RW03 ▶	\$
Investments in subsidiaries that are financial institutions	<a href="#">?</a> RW04 ▶	\$ <input type="text"/>
Accumulated net after tax unrealized loss on available for sale equity securities	<a href="#">?</a> RW05 ▶	\$
Fair value gain on own use property, plant & equipment included in retained earnings (C58)	<a href="#">?</a> RW05.1 ▶	\$
Net tier 1 capital	<a href="#">?</a> RW06 ▶	\$
Tier 2 supplementary capital (E32)	<a href="#">?</a> RW07 ▶	\$
<b>Add:</b>		
Collective allowance (up 0.75% of assets or 1.25% of RWA)	<a href="#">?</a> RW08 ▶	\$ 0
Accumulated net after-tax unrealized gain on available for sale equity securities	<a href="#">?</a> RW09 ▶	\$
Total tier 2 capital	<a href="#">?</a> RW10 ▶	\$ 0
Allowable portion of tier 2 capital (up to 100% of net tier 1)	<a href="#">?</a> RW11 ▶	\$ 0
<b>Total Regulatory Capital</b>	<a href="#">?</a> RW12 ▶	\$ 0

## BIS Ratio (Class 2)

Operational Risk (Class 2 only)		Amount
Net interest, investment plus other income - Year 1	<a href="#">?</a> RW13 ▶	\$ <input type="text"/>
Net interest, investment and other income - Year 2	<a href="#">?</a> RW14 ▶	\$ <input type="text"/>
Net interest, investment plus other income - Year 3	<a href="#">?</a> RW15 ▶	\$ <input type="text"/>
Net interest, investment plus other income - Average	<a href="#">?</a> RW16 ▶	\$
<b>Interest Rate Risk (Class 2 only)</b>		<b>Latest Quarter</b>
Exposure as reported (\$)	<a href="#">?</a> RW17 ▶	\$ <input type="text"/>
<b>Capital Adequacy Calculations % (Class 2 only)</b>		
Total risk weighted assets	<a href="#">?</a> RW18 ▶	\$
Operational risk - risk weighted equivalent value	<a href="#">?</a> RW19 ▶	\$
Interest rate risk - risk weighted equivalent value	<a href="#">?</a> RW20 ▶	\$
<b>Total risk weighted equivalent values</b>	<a href="#">?</a> RW21 ▶	\$
Risk Weighted Capital Ratio (Basel II)	<a href="#">?</a> RW22 ▶	%
Minimum Regulatory Requirement	<a href="#">?</a> RW22.1 ▶	8.00 %
Additional risk weighted capital	<a href="#">?</a> RW23 ▶	-8.00 %
Additional risk weighted capital as % of Minimum Capital	<a href="#">?</a> RW24 ▶	-100.00 %
Capital Ratio (Leverage Test) %	<a href="#">?</a> RW27 ▶	%

# Appendix of Schedules

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## Off-balance Sheet Activity

		Risk weighted values for N01 to N06	Conversion factor
Direct credit substitutes (e.g. guarantees and standby letters of credit)	N01 ▶	\$ <input type="text"/>	100.00 %
Sale, repurchase transactions, and forward asset purchases	N02 ▶	\$ <input type="text"/>	100.00 %
Transaction related contingencies (e.g. performance bonds, bid bonds)	N03 ▶	\$ <input type="text"/>	50.00 %
Commitments (original maturity > 1 year or open ended and cancellable with notice)	N04 ▶	\$ <input type="text"/>	50.00 %
Trade-related contingencies	N05 ▶	\$ <input type="text"/>	20.00 %
Commitments (original maturity up to 1 year)	N06 ▶	\$ <input type="text"/>	20.00 %
Commitments unconditionally cancellable without prior notice	N07 ▶	\$ <input type="text"/>	0.00 %
Other (securitized loans, mutual funds etc.)	N08 ▶	\$ <input type="text"/>	0.00 %
<b>Total off-balance sheet assets</b>	N09 ▶	\$ <input type="text"/>	