

Peace Hills Trust Company

All-in Capital Disclosure

September 30, 2019

Dollars in thousands

		Interim Financial Statements	Audited Financial Statements	
		2019-09-30	2018-12-31	
Common Equity Tier 1 capital: instruments and reserves				
1	Directly issue qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	33,833	33,833	Statement of Financial Position
2	Retained earnings	42,637	39,110	Statement of Financial Position
3	Accumulated other comprehensive income (and other reserves)	(21)	61	Statement of Financial Position
4	Directly issued capital subject to phase out from CET 1 (only applicable to non-joint stock companies)			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET 1)			
6	Common Equity Tier 1 capital before regulatory adjustments	76,449	73,004	
Common Equity Tier 1 capital: regulatory adjustments				
28	Total regulatory adjustments to Common Equity Tier 1			
29	Common Equity Tier 1 capital (CET1)	76,449	73,004	
Common Equity Tier 1 capital: instruments				
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus			
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards			
33	Directly issued capital instruments subject to phase out from Additional Tier 1			
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5 issued by subsidiaries and held by third parties (amount allowed in group			
35	of which: instruments issued by subsidiaries subject to phase out			
36	Additional Tier 1 capital before regulatory adjustments			
Additional Tier 1 capital: regulatory adjustments				
43	Total regulatory adjustments to Additional Tier 1 capital			
44	Additional Tier 1 capital (AT1)			
45	Tier 1 capital (T1 = CET1 + AT1)	76,449	73,004	
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus			
47	Directly issued capital instruments subject to phase out from Tier 2			
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group			
49	of which: instruments issued by subsidiaries subject to phase out			
50	Expected Credit Loss - Category 1	2,254	1,965	Note 8
51	Tier 2 capital before regulatory adjustments	2,254	1,965	

Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments			
53	Reciprocal cross holdings in Tier 2 instruments			
54	Non-significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)			
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions			
56	Other deductions from Tier 2 capital			
57	Total regulatory adjustments to Tier 2 capital			
58	Tier 2 capital (T2)	2,254	1,965	
59	Total capital (TC = T1 + T2)	78,703	74,969	
60	Total risk-weighted assets	467,527	466,791	
Capital Ratios				
61	Common Equity Tier 1 (as percentage of risk-weighted assets)	16.4%	15.6%	
62	Tier 1 (as percentage of risk-weighted assets)	16.4%	15.6%	
63	Total capital (as percentage of risk-weighted assets)	16.8%	16.1%	
64	Institution-specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk-weighted assets)	7.0%	7.0%	
65	of which: capital conservation buffer requirement			
66	Not applicable			
67	of which: G-SIB buffer requirement			
68	Common Equity Tier 1 available to meet buffers (as percentage of risk-weighted assets)	9.4%	8.6%	
OSFI all-in target				
69	Common Equity Tier 1 all-in target ratio	7.0%	7.0%	
70	Tier 1 capital all-in target ratio	8.5%	8.5%	
71	Total capital all-in target ratio	10.5%	10.5%	
Amounts below the thresholds for deduction (before risk weighting)				
72	Non-significant investments in the capital of other financials			
73	Significant investments in the common stock of financials			
74	Mortgage servicing rights (net of related tax liability)			
75	Deferred tax assets arising from temporary differences (net of related tax liability)	931	931	Statement of Financial Position
Applicable caps on the inclusion of provisions in Tier 2				
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)			
77	Cap on inclusion of provisions in Tier 2 under standardised approach			
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)			
79	Cap on inclusion of provisions in Tier 2 under internal ratings-based approach			
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)				
80	<i>Current cap on CET1 instruments subject to phase out arrangements</i>			
81	<i>Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>			
82	<i>Current cap on AT1 instruments subject to phase out arrangements</i>			
83	<i>Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)</i>			
84	<i>Current cap on T2 instruments subject to phase out arrangements</i>			
85	<i>Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)</i>			

Abbreviated Capital Disclosure		
29	Common Equity Tier 1 capital: instruments	76,449
45	Tier 1 capital (T1 = CET1 + AT1)	76,449
59	Total capital (TC = T1 + T2)	78,703
60	Total risk-weighted assets	467,527
61	Common Equity Tier 1 (as percentage of risk-weighted assets)	16.4%
62	Tier 1 (as percentage of risk-weighted assets)	16.4%
63	Total capital (as percentage of risk-weighted assets)	16.8%