



Reference: Advisory for Banks/FBBs/  
T&Ls/Co-ops

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To: Banks  
Foreign Bank Branches  
Federally Regulated Trust and Loan Companies  
Federally Regulated Cooperative Credit Associations

**Subject: Regulatory Capital Treatment of Certain Significant Items for Basel 1 under  
the new Financial Instruments Accounting Standards**

The Office of the Superintendent of Financial Institutions (OSFI) has considered the impact that certain items under the new Canadian Financial Instruments accounting standards will have on regulatory capital for deposit-taking institutions. As a result, OSFI is issuing this Capital Advisory outlining the Basel I regulatory capital treatment for changes arising from implementation of these new accounting standards. Regulatory capital treatment decisions under Basel II will be made available in separate Basel II guidance.

Questions regarding the Advisory should be addressed to Ms. Karen Stothers, Accounting Policy Division, by email at [karen.stothers@osfi-bsif.gc.ca](mailto:karen.stothers@osfi-bsif.gc.ca) or by phone at (416) 973-0744.

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