

**TABLE 1 - ACCOUNTING TREATMENT FOR FINANCIAL INSTRUMENTS IN CANADA**

<b>Common categories</b>	<b>Categories as classified under the CICA Handbook</b>	<b>Eligible items</b>	<b>Initial amount to be capitalized on the balance sheet</b>	<b>Subsequent measurement on the balance sheet (*)</b>	<b>Unrealized gains/losses (*)</b>
<b>Speculative assets and liabilities</b>	- Financial assets and liabilities held for trading	- Monetary assets - Monetary liabilities - Equity securities - Derivatives	Fair value (excluding transaction costs that are immediately recognized in income)	Fair value if available, otherwise at cost	Income
<b>Assets available for sale</b>	- Available-for-sale financial assets	- Monetary assets - Equity securities	Fair value (with or without transaction costs, as preferred)	Fair value if available, otherwise at cost	Other comprehensive income
<b>Other assets and liabilities</b>	- Held-to-maturity investments - Loans and receivables - Other financial liabilities	- Monetary assets with a maturity - Monetary liabilities	Fair value (with or without transaction costs, as preferred)	At cost	N.A.
<b>Instruments shown in owners' equity</b>	- Equity instruments	- Issued capital stock - Securities with a residual right	Fair value received (including transaction costs)	At cost	N.A.

(\*) "At cost" refers to the cost method or amortized cost when applicable. Any amortization must be based on the effective interest method. Regardless of the method used, asset impairment losses are immediately recognized in income to the extent that they are not temporary fluctuations or affect current items. Other treatments are possible under hedging strategies.