

**Contractual maturities of financial liabilities and off-balance sheet items – undiscounted basis\***

(Millions of Canadian dollars)	As at October 31, 2017					
	On demand	Within 1 year	1 year to 2 years	2 years to 5 years	5 years and greater	Total
<b>Financial liabilities</b>						
Deposits (1)	\$ 372,108	\$ 253,825	\$ 52,026	\$ 89,456	\$ 22,280	\$ 789,695
Other						
Acceptances	–	16,443	10	6	–	16,459
Obligations related to securities sold short	–	30,009	–	–	–	30,009
Obligations related to assets sold under repurchase agreements and securities loaned	8,171	134,904	–	12	–	143,087
Other liabilities	1,124	26,730	78	261	3,553	31,746
Subordinated debentures	–	–	106	207	8,952	9,265
	<b>381,403</b>	<b>461,911</b>	<b>52,220</b>	<b>89,942</b>	<b>34,785</b>	<b>1,020,261</b>
<b>Off-balance sheet items</b>						
Financial guarantees (2)	\$ 18,569	\$ 177	\$ –	\$ –	\$ –	\$ 18,746
Lease commitments	–	732	720	1,471	2,859	5,782
Commitments to extend credit (2)	187,078	41,369	9	1	–	228,457
	<b>205,647</b>	<b>42,278</b>	<b>729</b>	<b>1,472</b>	<b>2,859</b>	<b>252,985</b>
<b>Total financial liabilities and off-balance sheet items</b>	<b>\$ 587,050</b>	<b>\$ 504,189</b>	<b>\$ 52,949</b>	<b>\$ 91,414</b>	<b>\$ 37,644</b>	<b>\$ 1,273,246</b>

(Millions of Canadian dollars) (3)	As at October 31, 2016					
	On demand	Within 1 year	1 year to 2 years	2 years to 5 years	5 years and greater	Total
<b>Financial liabilities</b>						
Deposits (1)	\$ 358,254	\$ 221,852	\$ 50,293	\$ 100,295	\$ 25,422	\$ 756,116
Other						
Acceptances	–	12,842	–	1	–	12,843
Obligations related to securities sold short	–	50,366	–	–	–	50,366
Obligations related to assets sold under repurchase agreements and securities loaned	8,420	95,005	8	21	–	103,454
Other liabilities	445	24,198	112	289	4,761	29,805
Subordinated debentures	–	–	–	115	9,646	9,761
	<b>367,119</b>	<b>404,263</b>	<b>50,413</b>	<b>100,721</b>	<b>39,829</b>	<b>962,345</b>
<b>Off-balance sheet items</b>						
Financial guarantees (2)	\$ 18,689	\$ 197	\$ –	\$ –	\$ –	\$ 18,886
Lease commitments	–	727	661	1,528	2,131	5,047
Commitments to extend credit (2)	181,496	41,671	5	59	–	223,231
	<b>200,185</b>	<b>42,595</b>	<b>666</b>	<b>1,587</b>	<b>2,131</b>	<b>247,164</b>
<b>Total financial liabilities and off-balance sheet items</b>	<b>\$ 567,304</b>	<b>\$ 446,858</b>	<b>\$ 51,079</b>	<b>\$ 102,308</b>	<b>\$ 41,960</b>	<b>\$ 1,209,509</b>

\* This table represents an integral part of our 2017 Annual Consolidated Financial Statements.

- (1) A major portion of relationship-based deposits are repayable on demand or at short notice on a contractual basis while, in practice, these customer balances form a core base for our operations and liquidity needs, as explained in the preceding Deposit and funding profile.
- (2) We believe that it is highly unlikely that all or substantially all of these guarantees and commitments will be drawn or settled within one year, and contracts may expire without being drawn or settled. The management of the liquidity risk associated with potential extensions of funds is outlined in the preceding Risk measurement section.
- (3) Amounts have been revised from those previously presented.

**Insurance risk**

Insurance risk refers to the potential financial loss that may arise where the amount, timing and/or frequency of benefit payments under insurance and reinsurance contracts are different than expected. Insurance risk is distinct from those risks covered by other parts of our risk management framework (e.g., credit, market and operational risk) where those risks are ancillary to, or accompany the risk transfer. The four insurance sub-risks are: morbidity, mortality, longevity and travel risk.

Our Insurance Risk Framework provides an overview of our processes and tools for identifying, assessing, managing, mitigating and reporting on the insurance risks that face the organization. These are also supported by our robust three lines of defence governance structure.

**Execution risk drivers**
**Operational risk**

Operational risk is the risk of loss or harm resulting from people, inadequate or failed internal processes and systems or from external events.

Operational risk is inherent in all our activities, including the practices and controls used to manage other risks. Failure to manage operational risk can result in direct or indirect financial loss, reputational impact, regulatory censure, or failure in the management of other risks such as credit or market risk.

Our management of operational risk follows our established three lines of defence governance model. This model encompasses the organizational roles and responsibilities for a co-ordinated enterprise-wide approach for the management of operational risk. For further details, refer to the Risk management – Enterprise risk management section.