

Armstrong

— Financial Services —

Adjusted Cost Basis Ledger / Policy year _____

The Adjusted Cost Basis (ACB) of a US Policy must be filed annually in Canadian dollars (CAD) on form T1135 under "Other property outside Canada". The ACB of a US policy is:

- a. last year's ACB in CAD
 - b. **plus** this year's premium in CAD (at the USD rate on the policy anniversary date)
 - c. **minus** this year's Canadian NCPI in CAD (at the USD rate on Dec 31st of this year).
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Step 1: Record last year's ACB value in CAD:

Last year's ACB value in CAD _____ (a)

Step 2: Calculate this year's Premium in CAD at the policy anniversary date:

Premium Amount in USD: _____
 USD/CAD FX Rate on premium date: _____
 Premium Amount in CAD: _____ (b)

Step 3: Calculate this year's Canadian NCPI in CAD on Dec 31st:

NCPI in USD (See provided USD NCPI table): _____
 USD/CAD FX Rate on Dec 31st: _____
 NCPI in CAD: _____ (c)

This year's ACB = Last year's ACB + Premium Paid in CAD - NCPI in CAD, i.e.

_____ (a) + _____ (b) - _____ (c) = _____ (ACB this year)
