



LAURENTIAN BANK
OF CANADA

PRESS RELEASE

For immediate release

LAURENTIAN BANK: A SIMPLIFIED APPROACH TO AVOID BEING “POORLY RETIRED”

Montreal, February 1st, 2005 – Planning and managing retirement may seem complicated to many people. Laurentian Bank understands it. That is why it invests a lot of energy in simplifying RRSP management for its clients through its offer of a broad range of performing products and user-friendly tools to help people plan for retirement.

Tactical RRSP: your one-stop investment solution

Well aware that asset allocation is very important, Laurentian Bank makes life easier for consumers by offering the Tactical RRSP account with the possibility to invest in different RRSP products grouped into one account. With the Tactical RRSP, the client consolidates all his or her Laurentian Bank RRSP investments into a single portfolio with a common bank statement. Besides, the client can use Laurentian Bank's transactional website to securely check the account and track all the investments. Therefore, the Tactical account makes any investment strategy easier to plan and expands investment options. It is perfectly adapted to the needs of investors wishing to diversify their portfolio, since it can hold any guaranteed investments, mutual funds¹ as well as some savings bonds. Its annual management fee is minimal² and it is suitable for different portfolio types (RRSPs, LIRAs, locked-in RSPs, RRIFs or LIFs).

Laurentian Bank's key products

The **Multi-Rater GIC³** offers the flexibility of a redeemable product with a highly competitive return. The Laurentian Bank Multi-Rater GIC is a five-year investment, redeemable penalty-free on each anniversary date, starting with the first year. It offers a 7.00% guaranteed return the fifth year, with the five-year average rate of 3.313%. The first year interest rate is 2%, the second year – 2.15%, the third year – 2.50%, the fourth year – 3.00%, and the fifth year – 7.00%. The principal is fully covered, the return is guaranteed the fifth year, and it is RRSP eligible. It requires a minimum investment of \$500.

The **Canadian ActionGIC** is ideal for investors who want to take advantage of the growth potential of Canadian stock market. The return of this guaranteed investment certificate is linked to the stock market indexes of sixty leading Canadian companies. Capped at 50% growth, its return offers a potential growth of 8.45%⁴ for a term of five years. And the three-year Canadian *ActionGIC* with a 23% ceiling offers a potential return of 7.14%.

For people looking for a product, which allows to diversify their investment portfolio while having the capital fully guaranteed, the **Trust Plus ActionGIC⁵** is the right choice. The return of this guaranteed investment certificate is based on the performance of a private portfolio consisting of trust units. The portfolio is managed actively and is reevaluated on a regular basis to keep it at the optimal level. Companies are handpicked for the portfolio and must meet specific selection criteria. It represents a cross-section of business sectors, such as real estate, energy, natural resources, public services and industrials. The client benefits from the complete performance of this trust unit based portfolio, with no maximum return cap. One of the particularities of this

product is that it is not correlated with stock markets, i.e. its yield does not always follow stock market fluctuations, which makes Trust Plus *ActionGIC* an excellent addition to investments that are based on the performance of a market index.

R Distinction Portfolios¹: a simple and personalized solution

Finally, if you prefer to have a portfolio of various asset classes, R Distinction Portfolios are an 'all-in-one' solution that focuses on your investment needs. These are optimized portfolios that represent a judicious combination of the best investments to meet the specific needs defined in different investment profiles. Five top Canadian mutual fund companies (AIM Trimark, CI Mutual Funds, Fidelity Investments, Mackenzie Financial Corporation, and BLC-Edmond de Rothschild) make up these portfolios. Just these companies alone offer a choice of close to 600 funds representing more than \$120 billion in assets under management. The R Distinction Portfolios are automatically rebalanced according to the market movements in order to continuously reflect your risk profile. The R Distinction Portfolios have been developed with a solid, optimal and comprehensive approach that enables the investor to attain his or her financial objectives in a logical fashion. Five Distinction Portfolios are available: Prudent, Conservative, Balanced, Dynamic and Bold.

These Portfolios and 23 other R Funds managed by BLC-Edmond de Rothschild are distributed by LBC Financial Services through the Laurentian Bank branches.

¹ Brokerage fees, trailing commissions, management fees or other fees and charges may apply to mutual fund investments. Please read the prospectus before investing. Mutual funds are not insured by the Canada Deposit Insurance Corporation, the Régie de l'assurance-dépôts du Québec or any other public deposit insurer. They are not guaranteed in total or in part, and the value of securities of a mutual fund as well as their yield may fluctuate. Mutual funds are distributed by LBC Financial Services, a subsidiary of Laurentian Bank.

² Annual management fee of \$30 will apply to all portfolios under \$25,000. There is no fee for portfolios of \$25,000 and more, or for portfolios that hold only guaranteed investment certificates. Subject to change without prior notice.

³ If redeemed prior to maturity, interest will be calculated on a yearly basis. The current rate is as of January 24, 2005. Rates are subject to change without prior notice.

⁴ This represents the maximum annual rate that can be paid for the 5-year term. The maximum return that can be paid on this product is 50% over 5 years. Therefore if, between the issuing and term of the product, the index appreciation is equal to or exceeds 50%, you will be entitled to a weighted annual return of 8.45% over the 5-year term. The annual return could be lower or nil if market appreciation of the index is low or non-existent. The principal amount shall be paid upon maturity. Details available in branch. This is a limited time offer.

⁵ The actual rate of return on a Laurentian Bank Trust Plus *ActionGIC* is calculated based on a percentage of the reference index performance between the issue date and the maturity date. The starting index at issue is established using the closing quote of the reference index on the issue date. The index at maturity is calculated using the closing quote of the reference index ten business days before the maturity date. If the total return is negative of nil, the fully secured principal amount shall be paid on the maturity date, but no interest shall be paid. If the total return is positive the interest less certain portfolio management fees, shall be paid only upon investment maturity as the rate of return is only known at maturity. Details available in branch.

About Laurentian Bank

Founded in 1846, Laurentian Bank ranks seventh among Canadian Schedule I banks, with assets in excess of \$16 billion and close to \$15 billion in assets under management. The Bank offers highly competitive products and superior personalized service to meet the banking and financial needs of individuals, small and medium-sized businesses and independent financial advisors. The Bank's common shares are traded on the Toronto Stock Exchange (ticker symbol: LB). The address of the Bank's website is www.laurentianbank.com.

-30-

For information:

Laurentian Bank of Canada
Gladys Caron
Vice-President, Public Affairs and Communications
Office: (514) 284-4500, extension 7511
Cellular: (514) 893-3963
gladys.caron@banquelaurentienne.ca