



LAURENTIAN BANK
OF CANADA

PRESS RELEASE

For immediate release

**ONE IN FOUR RETIREES RETURN TO THE JOB MARKET:
38% OF THEM FOR FINANCIAL REASONS¹**

Montreal, February 7, 2006 – These figures give food for thought. They show that Quebecers are no better prepared than before in terms of retirement planning. In this perspective, Laurentian Bank of Canada pursues its RRSP campaign under the theme *Malretraite (Retirement Health)* in 2006. It was initially designed in response to the striking conclusions of a study that showed, among other things, that 80% of people aged 25 to 44 have no retirement saving plan². However, the success formula is very simple: contribute the maximum allowed, as often as possible and start investing as early as possible.

To prevent retirement breakdowns

Laurentian Bank of Canada offers a wide range of tools to save consumers from retirement blues. The Bank has reviewed and updated its website dedicated to the subject of retirement www.retirementalhealth.ca where people can test their knowledge of retirement planning, receive advice as well as learn about investment solutions. It also proposes several financial calculators to plan their retirement. This year, the site has a new feature adding a human touch to the experience. While browsing the site, visitors will hear “*the voice of reason*” offering comments and suggestions on retirement planning. Consumers can also pick up their copy of the new guide “*My future, my retirement planning*”, available in-branch.

New Laurentian Bank investment solutions

This year, Laurentian Bank offers consumers three new RRSP products: Term Note, *Xtra* Multi-Rater GIC and Canadian *ActionGIC*.

The **Term Note**³, also known as a *step-up bond*, is the first such investment product to be offered in-branch. This investment solution offers a potential term to maturity of 5 years since it is redeemable annually by the Bank. The returns on the Term Note are much better than on conventional GICs. Thus, the average annual return rate on the five-year Term Note issued during the period from January 30 to February 17, 2006, is 4.50%. The Note pays a 4.00% rate for the first year, a 4.25% rate for the second year, a 4.50% rate for the third year, a 4.75% rate for the fourth year and a 5.00% rate for the fifth year.

The ***Xtra* Multi-Rater GIC**⁴ is a new investment product that protects the capital invested and guarantees the return. It offers an average annual return of 3.808% over a five-year term. The *Xtra* Multi-Rater GIC pays a 2.70% rate for the first year, a 2.80% rate for the second year, a 3.20% rate for the third year, a 3.40% rate for the fourth year and a 7.00% rate for the fifth year. The *Xtra* Multi-Rater GIC allows investors to take advantage of higher returns typically associated with long-term investments while having total peace of mind. Rates are locked in for five years, thus shielding the investment against a potential market downturn. It also offers certain flexibility if interest rates go up since it can be reinvested at each anniversary date.

Finally, the **Canadian Growth *ActionGIC***⁵ is a guaranteed investment certificate with a return linked to the market performance of a private portfolio composed mainly of the IA Canadian Conservative Equity Fund and bonds. The proportion of the Fund in the index calculation is not fixed and may vary throughout the issue. With no maximum return cap, the Canadian Growth *ActionGIC* offers investors unlimited potential returns. It is the ideal investment solution for people who like the growth potential of mutual funds but do not want to risk their invested capital.

Distinction Portfolios⁶

In conclusion, the Distinction Portfolios are the perfect 'all-in-one' solution for investors who prefer to have a portfolio of various asset classes. These optimized portfolios represent a judicious mix of the best investment opportunities to meet the specific needs of various investor profiles. They were developed with Canada's five top mutual fund companies: AIM Trimark, C.I. Mutual Funds, Fidelity Investments, Mackenzie Financial Corporation and Industrial Alliance Fund Management Inc. The Distinction Portfolios are automatically rebalanced according to market fluctuations to ensure the maximum return for each portfolio type. Designed with a solid, optimal and comprehensive approach, the Distinction Portfolios help to attain specific investment objectives in a logical way. They offer five distinct investor portfolios: Prudent, Conservative, Balanced, Dynamic and Bold.

These portfolios and 21 other R Funds and IA Funds managed by Industrial Alliance Fund Management Inc. are distributed by LBC Financial Services through Laurentian Bank's branches.

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.ca.

¹ Statistics Canada, 2004

² Régie des rentes du Québec, 2001

³ At each anniversary date of the investment only, the Bank may reimburse the full amount of the principal and of the accrued interest. In such a case, the interest earned in the previous year and the principal amount will be remitted at the anniversary date. The Term Note does not qualify as an insured deposit under the Canada Deposit Insurance Corporation Act. The rates of interest may vary for each note issue. The indicated Term Note rates of return are the rates on the Note Issue of January 30 to February 17, 2006.

⁴ Can be reinvested, penalty-free, at each anniversary date only, in a GIC with a term equal to or greater than the term balance. Average 5-year rate of 3.808%. Five-year term. Rate effective on January 19, 2006. Rates may change without notice. At the end of the five-year term, and if not reinvested, the principal and the accrued interest will be paid to the client.

⁵ Because the returns of this product is tied to the performance of a reference index, it is impossible to predict future return. The actual rate of return on the Laurentian Bank Canadian Growth ActionGIC is calculated based on 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 or nil, the fully secured principal amount shall be remitted on the maturity date, but no interest shall be paid. If the total return is positive, the principal amount and the interest, less certain portfolio management fees, shall be paid only upon investment maturity as the rate of return is only known at maturity. Leon Frazer & Associates Inc. («Leon Frazer») currently manages the IA Canadian Conservative Equity Funds portfolio, while the Industrial Alliance Fund Management Inc. («IAFM») manages the actual fund. IAFM and Leon Frazer are corporations distinct from the Bank. Investors should read the prospectus which contains important information on the Fund before investing. Portfolio management fees may apply. All details are available in branch.

⁶ 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.

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