



LAURENTIAN BANK OFFERING RRSP LOANS TO MAXIMIZE RETIREMENT INCOME

Montréal, February 22, 2012 – Taking out an RRSP loan to be able to maximize eligible contributions can prove to be a very beneficial strategy for many savers. Although every situation is different, savers thinking of putting off contributing to a later time due to a lack of available cash are being advised by Laurentian Bank to consider contracting an RRSP loan. Such loans are particularly appropriate for those who have trouble saving or accumulate unused contribution room because they can take advantage of the effect of leveraging an accelerated tax refund.

“In order to attain one’s financial objectives with an RRSP upon retirement, it is essential to be as regular with contributions to the registered plan as to a pension plan,” explains Guylaine Dufresne, Senior Manager of Mutual Fund Distribution at Laurentian Bank. “Savers can use an RRSP loan to make up for not having contributed regularly.” These loans can help savers get around the problem of insufficient cash on hand and enable them to make the maximum RRSP contribution each year. At the same time, a portion of the loan can be financed by reinvesting the tax refund, while retirement income will ultimately be maximized.

“For the vast majority of people,” underlines Guylaine Dufresne, “the RRSP remains the most advantageous vehicle with which to accumulate funds for retirement.” Laurentian Bank offers two specific ways to maximize RRSP contributions — the conventional RRSP loan and the Maxi-RRSP loan.

The conventional RRSP loan is granted for a set amount with pre-determined payments, and it can be awarded with a fixed or variable interest rate. The client chooses the due date, and the total loan amount must be repaid at the end of the term. This more structured solution is most suited to those wishing to maximize their RRSP contribution or take advantage of their unused contribution room through borrowing.

For those who would like to maximize their RRSP contribution while using their tax refund to pay off their entire loan on a fixed date, Laurentian Bank recommends its tailor-made Maxi-RRSP loan. This is a term loan whose capital and interest must be repaid by no later than August 1, 2012, which leaves sufficient time to receive a forthcoming tax refund that will be augmented by the RRSP contribution deduction.

About Laurentian Bank

Laurentian Bank of Canada is a banking institution operating across Canada and offering its clients diversified financial services. Distinguishing itself through excellence in service, as well as through its simplicity and proximity, the Bank serves individual consumers and small and medium-sized businesses. The Bank also offers its products to a wide network of independent financial intermediaries through B2B Trust, as well as full-service brokerage solutions through Laurentian Bank Securities.

Laurentian Bank is well established in the Province of Québec, operating the third-largest retail branch network. Elsewhere throughout Canada, it operates in specific market segments where it



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holds an enviable position. Laurentian Bank of Canada has more than \$24 billion in balance sheet assets and more than \$35 billion in assets under administration. Founded in 1846, it has been selected among the Québec and Atlantic Canada regional winners of the 2011 edition of Canada's 10 Most Admired Corporate Cultures™ program presented by Waterstone Human Capital. The Bank employs close to 3,700 people.

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