

Laurentian Bank of Canada



INFORMATION STATEMENT DATED NOVEMBER 2, 2006

Principal Protected China Objective Equity Linked Deposit Notes

Series 4, due April 16, 2012

Series 5, due April 13, 2017

Price: \$100 Per Note
Minimum Purchase: \$1,000 or 10 Notes

Laurentian Bank of Canada will issue Series 4 and Series 5 Principal Protected China Objective Equity Linked Deposit Notes (collectively, the "Notes"). The Notes will have the basic terms listed below. More detailed information regarding the terms of the Notes begins on page 5 and you will find a "Table of Contents" on page 4. Unless otherwise defined below, capitalized terms used in this Information Statement have the meanings given to them in the "Definitions" section starting on page 15.

SUMMARY

Issuer: Laurentian Bank of Canada (together with its successors and assigns, "Laurentian Bank", "we", "us" or "our"). Our head office is located at 1981 McGill College Avenue, Montreal, Quebec, H3A 3K3.

Noteholder: If you buy or own any of the Series 4 Notes or Series 5 Notes, you will be a "Noteholder".

Equity Basket: All three series of the Notes are linked to the performance of the same equally weighted basket of the common shares of 30 leading global companies (each, a "Company" and collectively, the "Companies") whose business is, or may in the future, be positively affected by China's economic growth (the "Equity Basket"). A complete list and additional information on the Companies is provided at the end of this Summary and in the "Summary Information Regarding the Companies" section.

Issue Date: On or about April 16, 2007 (the "Issue Date").

Differences between the two series of Notes:

The following are the principal differences between the three series of the Notes:

- Series 4 Notes:**
 - **Maturity Date:** on or about April 16, 2012 (5 years).
 - Variable Amount: return, if any, is capped at \$65 per \$100 Note.
- Series 5 Notes:**
 - **Maturity Date:** on or about April 13, 2017 (10 years).
 - Variable Amount: no cap on return, if any.

Payment Amount on the applicable Maturity Date:

The amount that you will receive on the Maturity Date of each Note will equal the \$100 principal amount of the Note (the "Principal Amount") plus the Variable Amount, if any (the "Payment Amount").

The "Variable Amount", if any, will equal the average of the returns of the common shares of each Company over the term of the Notes multiplied by the Principal Amount minus Extraordinary Hedging Costs (if any). The Variable Amount can never be less than zero.

For example, if the Equity Basket contained the common shares of only two companies, one of which rose by 60% over the term of the Notes and the other of which rose by 40% over the term of the Notes, then the average of the returns would be 50%. In such a case, the Variable Amount per Note would be equal to \$50 and a Noteholder would receive a Payment Amount of \$150 on the applicable Maturity Date. If, for example, the average of the returns is equal to -20%, the Noteholder will only receive the \$100 Principal Amount on the Maturity Date.

The Variable Amount and when it is payable may be affected by certain Extraordinary Events and may be reduced by Extraordinary Hedging Costs (each described in further detail below). **In all cases, the \$100 Principal Amount of a Note is payable only on the Maturity Date of the Note.**

Understanding the formula used to calculate the Payment Amount is important. For detailed sample calculations and an explanation of the formula used to calculate the Payment Amount, see the "Sample Calculations" and "Payments under the Notes" sections for more information.

Maximum Variable Amount: The maximum Variable Amount you can receive is:

- For each Series 4 Note: \$65.
- For each Series 5 Note: there is no maximum Variable Amount.

For example, if the average of the returns of the common shares of each Company in the Equity Basket is 120% and there is no Extraordinary Event, a Noteholder would receive on the applicable Maturity Date:

- For each Series 4 Note: \$65 *plus* the \$100 Principal Amount; and
- For each Series 5 Note: \$120 *plus* the \$100 Principal Amount.

Extraordinary Events and Other Adjustment Events:

An “**Extraordinary Event**” is any event, circumstance or cause that, we determine, and which may be confirmed by the Independent Calculation Agent (if any), has or will have a material adverse effect on our ability to perform our obligations under the Notes or on our ability or the ability of our counterparties to make payment of amounts owing under hedges relating to the common shares in the Equity Basket, including, for example, a merger, takeover, delisting (without relisting), insolvency of the issuing Company and expropriation.

If an Extraordinary Event occurs, we may make certain adjustments to the Equity Basket or to any other variable as we determine to be appropriate in order to preserve as nearly as practicable the economic equivalent of our obligations under the Notes as they were before the Extraordinary Event occurred.

We may also elect to pay an Alternative Variable Amount on *all* of the Notes of a series then issued and outstanding before the relevant Maturity Date. See the “*Adjustment Events, Extraordinary Events and Market Disruption Events*” section for more information.

Extraordinary Hedging Costs: If certain Extraordinary Events occur, we may terminate or unwind our hedging arrangements relating to the Equity Basket or the common shares in the Equity Basket in order to meet all or a portion of our obligations under the Notes. Our “**Extraordinary Hedging Costs**” will only be the actual costs, if any, we incur directly or indirectly in terminating or unwinding our hedging arrangements because of an Extraordinary Event. If we incur Extraordinary Hedging Costs, the Variable Amount will be reduced accordingly, but will never be less than zero. See the “*Extraordinary Hedging Costs*” section for more information.

Secondary Market:

There is currently no market through which the Notes may be sold. Laurentian Bank does not intend to apply for listing of the Notes on any exchange and is under no obligation to facilitate or establish a secondary market.

Laurentian Bank Securities (together with its successors and assigns, “**LBS**”) may develop and maintain, starting one year after the Issue Date until the applicable Maturity Date, a weekly secondary market for the Notes. LBS is under no obligation to maintain such a secondary market. If a secondary market develops, it may not be liquid and it may be suspended or discontinued at any time without notice.

If you decide to sell your Notes before a Maturity Date, you will receive a price for the Notes which may be less than the Principal Amount. **If you want to sell some (but not all) of your Notes, you are required to hold a minimum of 10 Notes of the same series.** See the “*Related Matters-Secondary Trading of the Notes*” section for more information.

Canadian Federal Income Tax Considerations:

The Notes issued on the Issue Date are qualified investments for trusts governed by registered retirement savings plans (“**RRSPs**”), registered retirement income funds (“**RRIFs**”), registered education savings plans (“**RESPs**”) and deferred profit sharing plans (“**DPSPs**”) within the meaning of the *Income Tax Act* (Canada) (the “**Tax Act**”) (other than a deferred profit sharing plan to which payments are made by Laurentian Bank or a corporation with which Laurentian Bank does not deal at arm’s length).

You should consult your advisor regarding the suitability of an investment in the Notes and your tax treatment as a Noteholder.

Deposit Obligation:

The Notes will evidence deposit liabilities of Laurentian Bank and will rank equally and rateably with all other deposit obligations of Laurentian Bank. **The Noteholders will not have the benefit of any insurance under the provisions of the *Canada Deposit Insurance Corporation Act (Canada)* or any other deposit insurance regime.**

Form of the Notes:

Each series of the Notes will be issued in the form of one fully-registered, book-entry only global note (each, a “**Global Note**”) held by or on behalf of the Canadian Depository for Securities Limited (together with its successors and assigns, “**CDS**”) in Toronto, Canada as custodian of each Global Note and registered in the name of CDS in Toronto, Canada or the nominee of CDS, initially CDS & Co. (the “**Nominee**”).

Risk Factors:

The Notes have risks that are different from investing in the actual common shares of the Companies in the Equity Basket. Before you buy a Note, you should carefully consider the risks involved in buying the Note and review all available information about the Notes and the Companies in the Equity Basket. You should also talk to your advisors about whether you should buy a Note in light of your own investment objectives and profile.

Selling Restrictions: This Information Statement constitutes an offering of these Notes only in those jurisdictions where they may be lawfully offered for sale and by persons permitted to sell them. No securities commission or similar authority has in any way passed upon the merits of the Notes and any representation to the contrary may be an offence.

These Notes will only be offered or sold to Canadian residents for the purposes of the Tax Act. The Notes have not been and will not be registered under the *United States Securities Act of 1933* and may not be offered or sold within the United States or to or for United States persons, except in certain circumstances.

Companies in the Equity Basket:

The Notes are linked to the performance of the common shares of each of the leading global Companies listed below, whose business is or may in the future, be positively affected by China's economic growth. While the Companies are or may in the future, be positively affected by China's economy, we cannot and do not guarantee that any of the Companies will continue to be so affected. Unless a Calculation Agent Adjustment is required to be made as discussed under the "Adjustment Events, Extraordinary Events and Market Disruption Events" section, the composition of the Equity Basket will not change.

Company (Bloomberg Code)	Principal Exchange	Country of Principal Exchange
3M Co. (MMM US)	New York Stock Exchange (NYSE)	United States of America
Archer-Daniels-Midland Company (ADM US)	New York Stock Exchange (NYSE)	United States of America
Alcan Inc. (AL CN)	Toronto Stock Exchange (TSX)	Canada
AREVA (CEI FP)	Euronext N.V. (Paris) (Euronext)	France
BASF AG (BAS GR)	Deutsche Börse AG	Germany
BHP Billiton Limited (BHP AU)	Australian Stock Exchange (ASX)	Australia
Citigroup Inc. (C US)	New York Stock Exchange (NYSE)	United States of America
Groupe Danone (BN FP)	Euronext N.V. (Paris) (Euronext)	France
Diageo plc (DGE LN)	London Stock Exchange (LSE)	United Kingdom
Exxon Mobile Corporation (XOM US)	New York Stock Exchange (NYSE)	United States of America
FedEx Corp. (FDX US)	New York Stock Exchange (NYSE)	United States of America
General Electric Company (GE US)	New York Stock Exchange (NYSE)	United States of America
Hitachi, Ltd. (6501 JP)	Tokyo Stock Exchange (TSE)	Japan
Honda Motor Co., Ltd. (7267 JP)	Tokyo Stock Exchange (TSE)	Japan
HSBC Holdings plc (5 HK)	Hong Kong Stock Exchange (HKEx)	China
Hutchison Whampoa Ltd. (13 HK)	Hong Kong Stock Exchange (HKEx)	China
Hyundai Motor Company (005380 KS)	Korea Exchange (KRX)	South Korea
ING Groep N.V. (INGA NA)	Euronext N.V. (Amsterdam) (Euronext)	The Netherlands
Komatsu Ltd. (6301 JP)	Tokyo Stock Exchange (TSE)	Japan
L'Oreal SA (OR FP)	Euronext N.V. (Paris) (Euronext)	France
Motorola, Inc. (MOT US)	New York Stock Exchange (NYSE)	United States of America
Nestle SA (NESN VX)	Swiss Exchange (SWX)	Switzerland
Procter & Gamble (PG US)	New York Stock Exchange (NYSE)	United States of America
Rio Tinto plc (RIO LN)	London Stock Exchange (LSE)	United Kingdom
Roche Holding AG (ROG VX)	Swiss Exchange (SWX)	Switzerland
Samsung Electronics Co., Ltd. (005930 KS)	Korea Exchange (KRX)	South Korea
Suncor Energy, Inc. (SU CN)	Toronto Stock Exchange (TSX)	Canada
TDK Corporation (6762 JP)	Tokyo Stock Exchange (TSE)	Japan
Teck Cominco Limited - Class B (TCK/ B CN)	Toronto Stock Exchange (TSX)	Canada
Total SA (FP FP)	Euronext N.V. (Paris) (Euronext)	France

No Rights Relating to the Common Shares:

You will not have any interest, right or entitlement in any of the common shares in the Equity Basket. As such, with regards to the common shares in the Equity Basket, you will not have:

- a right to exercise any voting right attached to the common shares; and
- a right to receive any dividends paid on the common shares.

References to the "portfolio of common shares" or to the "Equity Basket" are to a notional, rather than actual, group of common shares.

Laurentian Bank is not required to hold the common shares of any Company in the Equity Basket.

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ANSWERS TO FREQUENTLY ASKED QUESTIONS

1. How much return will I receive if a maximum Variable Amount applies to my Notes?

If you invest \$100 in a Series 4 Note, you will receive a maximum Variable Amount of \$65 on the Maturity Date of that Note. If you invest \$100 in a Series 5 Note, you will receive the entire Variable Amount payable at the Maturity Date because no maximum Variable Amount applies.

2. Is there a minimum Variable Amount that is guaranteed?

No. No minimum Variable Amount is guaranteed under the Notes. However, the Variable Amount, if any, will never be less than zero.

3. How is the Variable Amount linked to the common shares in the Equity Basket?

The closing prices of the common shares of each Company in the Equity Basket on the date that is five Exchange Days immediately before the applicable Maturity Date will be compared to the closing prices of the common shares on the first Exchange Day following the Issue Date to determine the return of the common shares of each Company. The Variable Amount, if any, will be calculated based on the average of the returns of the common shares of each Company in the Equity Basket.

4. How do I know if the prices of the common shares in the Equity Basket will rise or fall?

It is impossible to predict whether the prices of the common shares in the Equity Basket will rise or fall over the term of a Note.

5. Will the amount payable at maturity be less than the Principal Amount of \$100?

No. On maturity, you will receive the entire \$100 Principal Amount for each Note, whether or not the value of each of the common shares in the Equity Basket has risen or fallen over the term of the Note. The Notes are not deposits that are insured under the *Canada Deposit Insurance Corporation Act (Canada)* or any other deposit insurance regime.

6. What if I need my money early?

The Notes cannot be redeemed by the Noteholders prior to a Maturity Date.

Also, there is currently no market through which the Notes may be sold. However, starting one year after the Issue Date until the relevant Maturity Date, the Notes may be sold in any secondary market that may be developed and maintained by LBS. There is no guarantee, however, that any secondary market that LBS may develop will be liquid. Therefore, the Notes should not be viewed as trading instruments.

7. What is the minimum number of the Notes of any series that I will have to hold at any given time?

At any given time, for any series, you are required to hold a **minimum of 10 Notes of the same series**. At the Issue Date, you are required to purchase a minimum of 10 Notes of any series, which equals a minimum initial investment of \$1,000. However, should you decide to sell some (but not all) of your Notes before the relevant Maturity Date on any secondary market that may develop one year after the Issue Date, you are required to hold a minimum of 10 Notes of any series.

8. If I sell a Note before its Maturity Date, could I get less than the \$100 Principal Amount?

Yes. The trading price of a Note will be set by the secondary market (if there is one), so if you sell your Note before the Maturity Date, you could get less than the Principal Amount.

9. What factors may affect the trading price of my Notes in any secondary market?

The trading price of the Notes in a secondary market (if there is one) will be affected by a number of complex factors. The effect of any one factor may be offset or magnified by the effect of another factor. *Some* of the factors that may have an effect on the trading price of the Notes include:

- the time remaining until the Maturity Date of a Note;
- the prices of the common shares in the Equity Basket;
- the level of interest rates in Canada and in the countries where the Companies carry on business;
- dividend yields on the common shares in the Equity Basket; and
- how often the prices of the common shares in the Equity Basket change.

10. How can I determine the trading price of a Note at any given time during the term of a Note?

The value of the Notes, among other things, will be posted from time to time by Laurentian Bank at www.banquelaurentienne.ca. The value quoted on the website will reflect the factors set out in Question 9 above. As any secondary market which may develop will likely not be liquid, the value posted on Laurentian Bank's website will likely not equal the price which a Noteholder would actually receive if the Notes were sold on such a market.

11. Can I vote or receive dividends on the common shares in the Equity Basket because I own a Note?

No. You will not have any rights or benefits as a shareholder of the Companies. As such, you will not be entitled to receive dividends or to vote at or attend meetings of the shareholders of any of the Companies in the Equity Basket.

12. What about tax?

You should consult your own tax advisor with respect to your individual tax position. The Notes are RRSP, RRIF, RESP and DPSP eligible for purposes of the Tax Act.

13. Will I have to pay any fees or commissions?

No. We will not charge you any fees or commissions with respect to the Notes.

14. Will currency fluctuations have an impact on the Variable Amount that I will receive?

No. Some of the common shares in the Equity Basket are priced in local currency instead of Canadian dollars. The Variable Amount is based on the average of the returns of the common shares regardless of their currency. Therefore, the Notes are not subject to exchange rate fluctuations between the Canadian dollar and any other currency.

15. What are the key differences between investing in a Note and investing directly in the common shares included in the Equity basket (via a self-managed portfolio)?

The table below outlines some of the key differences. Please note that this is not a comprehensive list of differences.

	China Objective Note	Self-managed portfolio made up of the common shares included in the Equity basket of the China Objective Note
Opportunity to invest in companies that are not readily accessible to a non institutional investor	Yes	No. Some companies are not accessible to non institutional investors.
Foreign exchange risk	No risk associated with exchange rate fluctuations between the Canadian dollar and another currency.	The investor sustains the foreign exchange risk.
Guaranteed principal	The principal is fully protected if the Note is maintained until the maturity, date at which it becomes payable.	There is no guarantee that the principal amount invested will be recovered.
Maximum return on investment	- Maximum return is 65% on Series 4 Notes (5-year term) - No maximum return on Series 5 Notes (10-year term)	No limit on the return.
Opportunity to buy or sell common shares contained in the equity basket	No. Aside from extraordinary circumstances, the composition of the equity basket remains the same over the full term of the note.	Yes. The investor may sell one or more shares at any time.
Dividends	Noteholders will not receive the benefit of any dividends paid on common shares contained in the equity basket.	Full benefit of dividends paid on such common shares.

16. With regards to the return on investment, what is the difference between investing in a guaranteed investment certificate (GIC) and investing in a Note?

In the case of a GIC, the return on investment is known at the issue date and is guaranteed by the issuer. In the case of a Note, the return on investment can only be known at maturity, is not guaranteed by the Issuer and may be zero (but will never be less than zero).

PAYMENTS UNDER THE NOTES

Payment Amounts under the Notes

On the applicable Maturity Date, for each Note, we will pay each Noteholder the \$100 Principal Amount *plus* a Variable Amount, if any. The Payment Amount will be calculated by us or by the Calculation Agent.

If an Extraordinary Event occurs, we may pay an Alternative Variable Amount before the Maturity Date instead of paying the Variable Amount on the Maturity Date. We will not pay any other amount before the Maturity Date. Please see the “*Adjustment Events, Extraordinary Events and Market Disruption Events*” section for more information.

Calculation of the Variable Amount

The Variable Amount will never be less than zero and will be calculated according to the following formula:

- For a Series 4 Note:
(\$100 Principal Amount × Percentage Change (subject to 65% cap)) – Extraordinary Hedging Costs (if any)
- For a Series 5 Note:
(\$100 Principal Amount × Percentage Change) – Extraordinary Hedging Costs (if any)

Calculation of the Percentage Change

The Percentage Change will never be less than zero. The Percentage Change will be equal to the sum of the returns of the common shares of each Company in the Equity Basket *divided by* 30 and will be calculated according to the following formula:

$$\text{Percentage Change} = \left(\frac{\sum_{k=1}^{30} \text{Return}(k)}{30} \right) \times 100\%$$

where :

“**Return(k)**” means $\frac{\text{Ending Price of common share } k - \text{Starting Price of common share } k}{\text{Starting Price of common share } k}$

“**Ending Price**” means, in respect of the common shares of a Company in the Equity Basket, the price of the common shares of the Company on the Principal Exchange at the close of trading on the fifth Exchange Day before the applicable Maturity Date, unless adjusted after a Market Disruption Event or an Extraordinary Event.

“**Starting Price**” means, in respect of the common shares of each Company in the Equity Basket, the price of the common shares of the Company on the Principal Exchange at the close of trading on the first Exchange Day after the Issue Date, unless adjusted after a Market Disruption Event or an Extraordinary Event.

SAMPLE CALCULATIONS

The examples set out below are included for illustration purposes only. The hypothetical prices of any of the common shares in the Equity Basket used to illustrate the calculation of the Percentage Change are not estimates or forecasts of the expected prices of any of the common shares in the Equity Basket. All examples assume that a Noteholder has purchased the Notes with an aggregate Principal Amount of \$10,000, that no Extraordinary Event has occurred and that there are no Extraordinary Hedging Costs.

Sample Calculation of the Percentage Change

The sample Percentage Change is equal to 40% if you assume that the hypothetical Starting Prices and Ending Prices of the common shares of each Company on the relevant day are as set forth below.

	Name of Company	Starting Price (A) (in local currency)	Ending Price (B) (in local currency)	Return for each Company ((B-A/A) x 100%)
1	3M Co.	84.74	169.48	100%
2	Archer-Daniels-Midland Company	37.98	53.172	40%
3	Alcan Inc.	58.69	99.773	70%
4	AREVA	646	904.4	40%
5	BASF AG	68.4	123.12	80%
6	BHP Billiton Limited	31.01	43.414	40%
7	Citigroup Inc.	47.73	23.865	-50%
8	Groupe Danone	99.55	149.325	50%
9	Diageo plc	918	1285.2	40%
10	Exxon Mobile Corporation	63.6	159	150%
11	FedEx Corp.	114.74	160.636	40%
12	General Electric Company	34.02	17.01	-50%
13	Hitachi, Ltd.	846	1269	50%
14	Honda Motor Co., Ltd.	7740	10836	40%
15	HSBC Holdings plc	1131.9	565.95	-50%
16	Hutchison Whampoa Ltd.	76.9	138.42	80%
17	Hyundai Motor Company	85400	119560	40%

18	ING Groep N.V.	32.77	49.155	50%
19	Komatsu Ltd.	2405	3367	40%
20	L'Oreal SA	74.2	148.4	100%
21	Motorola, Inc.	22.32	31.248	40%
22	Nestle SA	381.25	190.625	-50%
23	Procter & Gamble	57.26	85.89	50%
24	Rio Tinto plc	3135	4389	40%
25	Roche Holding AG	188.8	339.84	80%
26	Samsung Electronics Co., Ltd.	660000	924000	40%
27	Suncor Energy, Inc.	97.66	146.49	50%
28	TDK Corporation	9100	4550	-50%
29	Teck Cominco Limited	63.37	31.685	-50%
30	Total SA	225	562.5	150%
SAMPLE PERCENTAGE CHANGE = SUM OF THE RETURNS DIVIDED BY 30 = 40%				

Sample Calculation of the Variable Amount and the Payment Amount

The Variable Amount and the Payment Amount are calculated as follows, assuming that the Percentage Change is equal to 40%:

Variable Amount = \$100 Principal Amount x Percentage Change = \$100 x 0.40 = \$40

Payment Amount = \$100 Principal Amount + Variable Amount = \$100 + \$40 = \$140

Sample Calculation of the Percentage Change, the Variable Amount and the Payment Amount at the Maturity Date of a Series 4 Note

Assumed Percentage Change (C)*	Assumed Aggregate Principal Amount (D)	Variable Amount (E) (\$10,000 x C)	Payment Amount (D + E)
150% (65%)	\$10,000	\$6,500	\$16,500
100% (65%)	\$10,000	\$6,500	\$16,500
50%	\$10,000	\$5,000	\$15,000
0%	\$10,000	\$0	\$10,000
-10% (0%)	\$10,000	\$0	\$10,000
-25% (0%)	\$10,000	\$0	\$10,000

Figures in parentheses are the Percentage Changes used to calculate the Variable Amount required by application of the 65% maximum or the 0% minimum, as the case may be.

Sample Calculation of the Percentage Change, the Variable Amount and the Payment Amount at the Maturity Date of a Series 5 Note

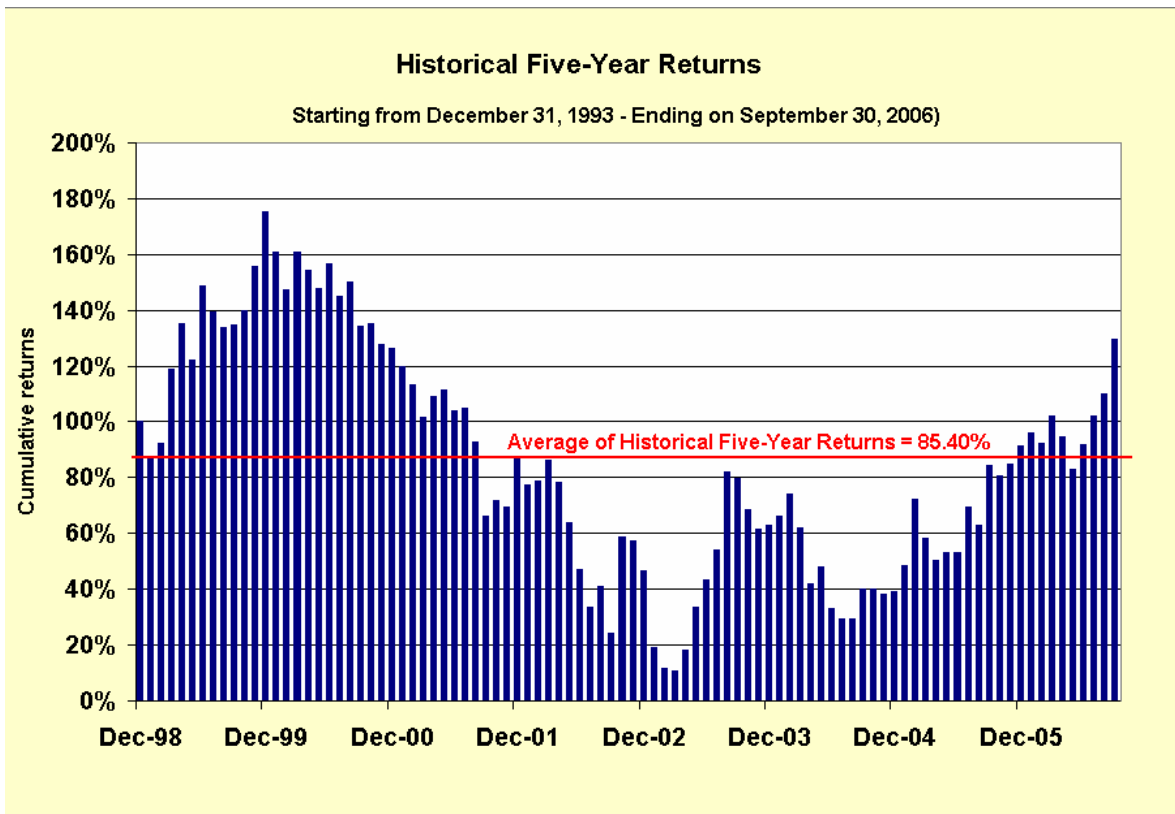
Assumed Percentage Change (C)**	Assumed Aggregate Principal Amount (D)	Variable Amount (E) (\$10,000 x C)	Payment Amount (D + E)
150%	\$10,000	\$15,000	\$25,000
100%	\$10,000	\$10,000	\$20,000
50%	\$10,000	\$5,000	\$15,000
0%	\$10,000	\$0	\$10,000
-10% (0%)	\$10,000	\$0	\$10,000
-25% (0%)	\$10,000	\$0	\$10,000

Figures in parentheses are the Percentage Changes used to calculate the Variable Amount required by application of the 0% minimum.

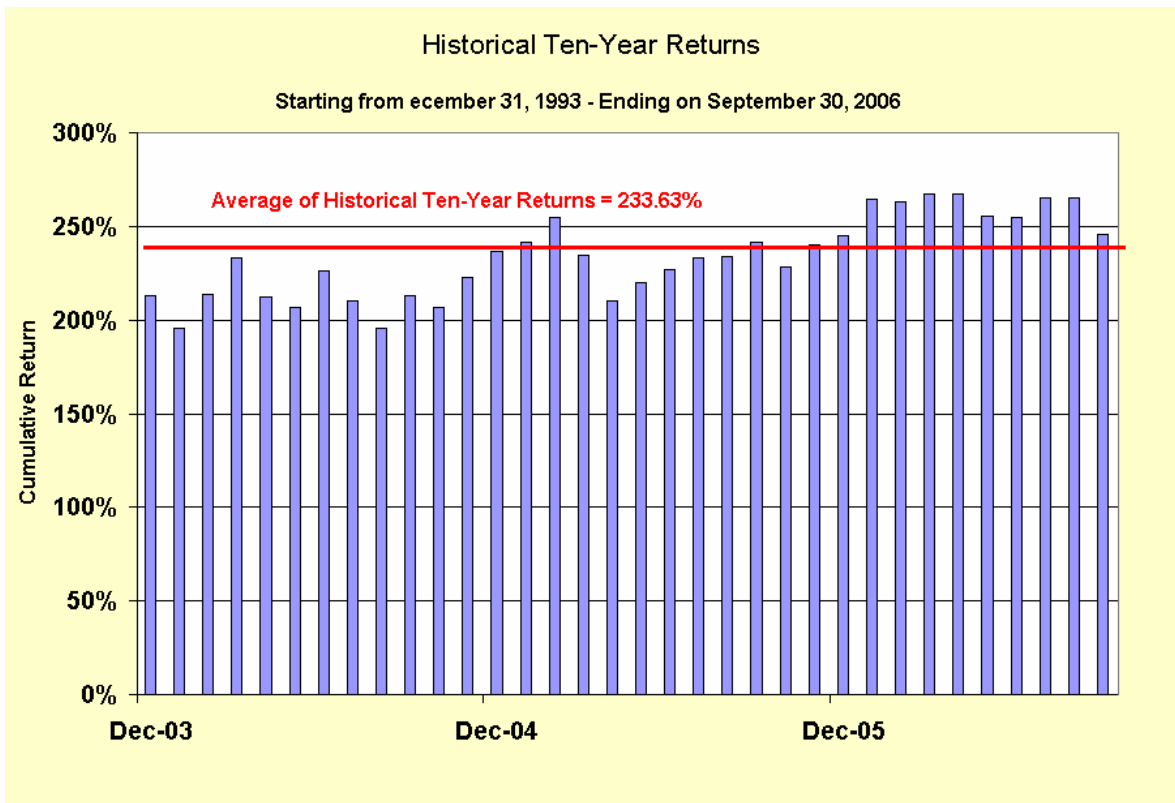
Historical Returns Relating to the Companies in the Equity Basket for the Five-Year and Ten-Year Periods

The historical returns illustrated below are derived from publicly available sources and are included only for information purposes. Past performance is not a guarantee of future performance. Performance changes over time and currently may be higher or lower than indicated below.

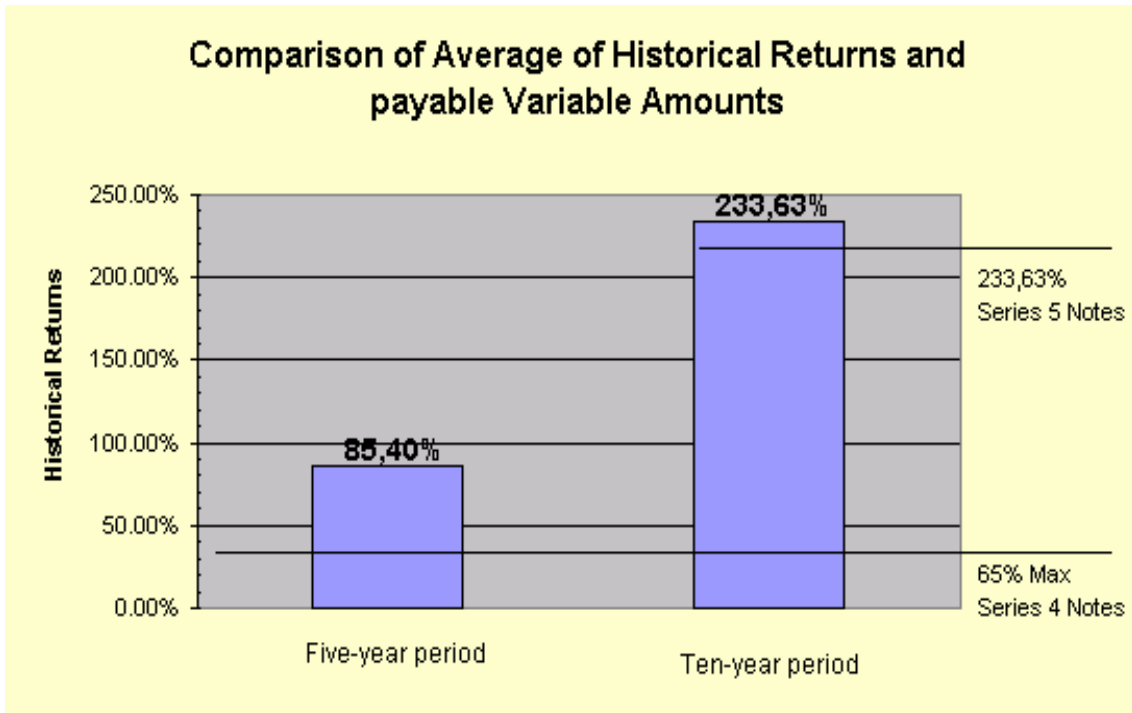
1. Historical Five-Year Returns for the Equity Basket: The graph below shows the historical returns for the Equity Basket over 94 successive five-year periods ending on the last Exchange Day in the months and years illustrated below. The average of all historical five-year returns shown below equals 85.40% .



2. Historical Ten-Year Returns for the Equity Basket: The graph below shows the historical returns for the Equity Basket over 34 successive ten-year terms ending on the last Exchange Day in the months and years illustrated below. The average of all historical ten-year returns shown below equals 233.63%



3. Comparison of Average of Historical Returns to Payable Variable Amounts: The graph below summarizes the average of historical returns for the five-year and ten-year periods noted below compared to the maximum Variable Amount, if any, that applies to the five-year Series 1 Notes with a maximum Variable Amount of 65% and the ten-year Series 3 Notes with no maximum Variable Amount.



SUMMARY INFORMATION REGARDING THE COMPANIES

All information in this Information Statement about the Companies has been taken from publicly available sources. The information has been accurately reproduced and, so far as we are aware and are able to determine from publicly available information, we have not omitted any facts that would make the reproduced information inaccurate or misleading. We have not verified the information provided anywhere in this Information Statement in relation to any Company or its common shares. Accordingly, we accept no responsibility for, and make no representation, warranty or undertaking of any kind about the accuracy or completeness of such information.

You are advised to make your own independent investigation as to the financial affairs and condition of the Companies. We have no obligation to review the financial condition or affairs of the Companies or to advise on any information coming to our attention relating to the Companies or their common shares. There can be no guarantee that any Company will maintain its current level of capitalization, continue to be listed on the Principal Exchanges listed below or continue to operate its business with emphasis in the areas as indicated. Unless a Calculation Agent Adjustment is required to be made as discussed under the "Adjustment Events, Extraordinary Events and Market Disruption Events" section, the composition of the Equity Basket will not change.

The following descriptions of the businesses and capitalization of the Companies are extracted from information made publicly available by Bloomberg Financial Markets as at April 28, 2006.

1. 3M Co.
(MMM US – NYSE)
Market Capitalization (in Millions): US\$64,340.53
M Co. conducts operations in electronics, telecommunications, industrial, consumer and office, health care, safety, and other markets. The company's businesses share technologies, manufacturing operations, brands, marketing channels, and other resources. 3M serves customers in countries located around the world.
2. Archer-Daniels-Midland Company
(ADM US – NYSE)
Market Capitalization (in Millions): US\$ 23,759.50
Archer-Daniels-Midland Company procures, transports, stores, processes, and merchandises agricultural commodities and products. The Company processes oilseeds, corn, milo, oats, barley, peanuts, and wheat. Archer-Daniels-Midland also processes products which have primarily two end uses including food or feed ingredients.
3. Alcan Inc.
(AL CN – TSX)
Market Capitalization (in Millions): US\$ 19,470.50
Alcan Inc. is a multinational company involved in all aspects of the aluminium industry. The company also produces flexible and specialty packaging for a wide range of businesses located around the world. Alcan's aluminium operations include smelting, rolled products, extrusion, casting, can sheet, cable, light gauge, and recycling.
4. AREVA
(CEI FP – Euronext (Paris))
Market Capitalization (in Millions): US\$26,837.21
Areva produces concentrated uranium and metallic fuel, and engineers and constructs nuclear power plants. The company also manufactures nuclear measurement equipment, transportation safety systems, and electrical, electronic and optical connectors, and recycles and reprocesses nuclear fuel.
5. BASF AG
(BAS GR – Deutsche Börse Group)
Market Capitalization (in Millions): US\$ 44,109.30
BASF AG explores for and produces oil and natural gas and manufactures health and nutrition products, plastics, chemicals, and dyes. The company refines petroleum products, and produces fertilizers, synthetic fibers, PVC plastic, polyurethane, resins, petrochemicals, plasticizers, solvents, pigments, paints, and textile finishing agents.
6. BHP Billiton Limited
(BHP AU – ASX)
Market Capitalization (in Millions): US\$ 77,776.43
BHP Billiton Limited is an international resources company. The company's principal business lines are mineral exploration and production, including coal, iron ore, gold, titanium, ferroalloys, nickel and copper concentrate, as well as petroleum exploration, production, and refining.
7. Citigroup Inc.
(C US - NYSE)
Market Capitalization (in Millions): US\$ 248,866.30
Citigroup Inc. is a diversified financial services holding company that provides a broad range of financial services to consumer and corporate customers around the world. The company's services include investment banking, retail brokerage, corporate banking, and cash management products and services.
8. Groupe Danone
(BN FP - Euronext (Paris))
Market Capitalization (in Millions): US\$ 32,979.67
Groupe Danone processes food. The company produces yogurts, cheeses, and dairy desserts, cookies and snacks, and bottled water. Groupe Danone manufactures and markets its products worldwide.

9. Diageo plc
(DGE LN – LSE)
Market Capitalization (in Millions): US\$ 46,678.28
Diageo plc produces, distills and markets alcoholic beverages. The company's premium drinks brands include Smirnoff, J&B, Johnnie Walker, Jose Cuervo, Seagrams, Captain Morgan, Tanqueray, Baileys, Harp, and Guinness Stout.
10. Exxon Mobile Corporation
(XOM US – NYSE)
Market Capitalization (in Millions): US\$ 384,332.60
Exxon Mobil Corporation operates petroleum and petrochemicals businesses on a worldwide basis. The company's operations include exploration and production of oil and gas, electric power generation, and coal and minerals operations. Exxon Mobil also manufactures and markets fuels, lubricants, and chemicals.
11. FedEx Corp.
(FDX US – NYSE)
Market Capitalization (in Millions): US\$ 35,094.42
FedEx Corp. is comprised of a family of companies, providing transportation, e-commerce, and supply chain management services for customers. The company provides worldwide express delivery, ground small-parcel delivery, less-than-truckload freight delivery, supply chain management services, customs brokerage services, and trade facilitation and electronic commerce solutions.
12. General Electric Company
(GE US – NYSE)
Market Capitalization (in Millions): US\$ 359,784.60
General Electric Company develops, manufactures, and markets products for the generation, distribution, and utilization of electricity. The company, through General Electric Capital Services, Inc., offers a variety of financial services including mutual fund management, financing, asset management, and insurance. General Electric also owns the National Broadcasting Company.
13. Hitachi, Ltd.
(6501 JP – TSE)
Market Capitalization (in Millions): US\$ 25,049.86
Hitachi, Ltd. manufactures communications and electronic equipment, heavy electrical and industrial machinery, and consumer electronics. The company's diverse product line ranges from nuclear power systems to kitchen appliances. Hitachi also operates subsidiaries in the wire and cable, metal, and chemical industries.
14. Honda Motor Co., Ltd.
(7267 JP – TSE)
Market Capitalization (in Millions): US\$ 65,169.96
Honda Motor Co., Ltd. develops, manufactures, and distributes motorcycles, automobiles, and power products such as generators and farm machinery. The company also operates a financial credit business. Honda Motor has manufacturing facilities in the United States, Canada, the United Kingdom, France, Italy, Spain, Brazil, Mexico, India, and Thailand.
15. HSBC Holdings plc
(5 HK – HKEx)
Market Capitalization (in Millions): US\$ 193,804.30
HSBC Holdings plc is the holding company for the HSBC Group. The company provides a variety of international banking and financial services, including retail and corporate banking, trade, trusteeship, securities, custody, capital markets, treasury, private and investment banking, and insurance. The Group operates worldwide.
16. Hutchison Whampoa Limited
(13 HK – HKEx)
Market Capitalization (in Millions): US\$ 41,845.73
Hutchison Whampoa Limited, through its subsidiaries, operates five core businesses including ports and related services, telecommunications and e-commerce, property and hotels, retail and manufacturing, energy, infrastructure, finance and investments.
17. Hyundai Motor Company
(005380 KS – KRX)
Market Capitalization (in Millions): US\$ 19,253.57
Hyundai Motor Company manufactures, sells, and exports passenger cars, trucks, and commercial vehicles. The company also sells various auto parts and operates auto repair service centers throughout South Korea. Hyundai Motor provides financial services through its subsidiaries.
18. ING Groep N.V.
(INGA NA – Euronext (Amsterdam))
Market Capitalization (in Millions): US\$ 89,767.53
ING Groep N.V. offers financial services to individuals, corporations, and other institutions. The company offers corporate, investment, and private banking services, asset and portfolio management, treasury services, and insurance. ING Groep has offices throughout the world.

19. Komatsu Ltd.
(6301 JP – TSE)
Market Capitalization (in Millions): US\$ 21,354.37
Komatsu Ltd. manufactures and sells construction and mining machinery, including hydraulic excavators, bulldozers, and wheel loaders. The company, operating on a global scale, also produces electronics and engineering equipment such as silicon wafers, industrial robots, underground machinery, and automated storage systems.
20. L'Oréal SA
(OR FP – Euronext (Paris))
Market Capitalization (in Millions): US\$ 61,105.50
L'Oréal SA manufactures, markets, and distributes health and beauty aids. The company produces colorants, styling, and hair care products for professional hairdressers, hair care, cosmetics, and skin care products and perfumes for consumers, luxury cosmetics and perfumes sold through department stores, perfumeries and travel stores, and dermatological and pharmaceutical products.
21. Motorola, Inc.
(MOT US – NYSE)
Market Capitalization (in Millions): US\$ 53,341.73
Motorola, Inc. provides integrated communications solutions and embedded electronic solutions. The company offers software-enhanced wireless telephones, two-way radios, messaging and satellite communications products and systems, as well as networking and Internet-access products. Customers include consumers, network operators, and commercial, government, and industrial customers.
22. Nestle SA
(NESN VX – SWX)
Market Capitalization (in Millions): US\$ 123,119.70
Nestle SA processes food. The company's subsidiaries produce and sell beverages, milk products, culinary products, frozen food, chocolate, ready-to-eat dishes, refrigerated products, food service products, and pet food. Nestle also manufactures pharmaceuticals and cosmetics.
23. Procter & Gamble
(PG US – NYSE)
Market Capitalization (in Millions): US\$ 191,196.00
The Procter & Gamble Company manufactures and markets consumer products in countries throughout the world. The company provides products in the laundry and cleaning, paper, beauty care, food and beverage, and health care segments. Procter & Gamble's products include Pampers diapers, Tide laundry detergent, PUR drinking water systems, Crest toothpaste, and Vicks cough/cold products.
24. Rio Tinto plc
(RIO LN – LSE)
Market Capitalization (in Millions): US\$ 58,299.93
Rio Tinto plc is an international mining company. The company has interests in mining for aluminium, borax, coal, copper, gold, iron ore, lead, silver, tin, uranium, zinc, titanium dioxide feedstock, diamonds, talc and zircon. Rio Tinto's various mining operations are located in Australia, New Zealand, South Africa, the United States, South America, Europe, and Indonesia.
25. Roche Holding AG
(ROG VX – SWX)
Market Capitalization (in Millions): US\$ 135,834.50
Roche Holding AG develops and manufactures pharmaceutical and diagnostic products. The company produces prescription drugs in the areas of cardiovascular, infectious, autoimmune, and respiratory diseases, dermatology, metabolic disorders, oncology, transplantation, and the central nervous system.
26. Samsung Electronics Co., Ltd.
(005930 KS – KRX)
Market Capitalization (in Millions): US\$ 100,573.40
Samsung Electronics Co., Ltd. manufactures a wide range of consumer and industrial electronic equipment and products such as semiconductors, personal computers, peripherals, monitors, televisions, and home appliances including air conditioners and microwave ovens. The company also produces Internet access network systems and telecommunications equipment including mobile phones.
27. Suncor Energy, Inc.
(SU CN – TSX)
Market Capitalization (in Millions): US\$ 39,161.48
Suncor Energy, Inc. is a Canadian energy company. The company's oil sands business mines and upgrades oil sand and markets custom-blended refinery feedstock and diesel fuel, near Fort McMurray in northern Alberta. Suncor produces natural gas in Western Canada, has a refining and marketing business in Ontario, and a retail business that operates under the brand name of Sunoco.
28. TDK Corporation
(6762 JP – TSE)
Market Capitalization (in Millions): US\$ 11,145.46
TDK Corporation manufactures electronics components such as magnetic tapes and ferrite cores. The company also sells power supplies, inductors, transformers, ceramic capacitors, magnets, LAN (Local Area Network) components, sensors, and semiconductors. TDK markets its products worldwide.

<p>29. <u>Teck Cominco Limited – Class B</u> (TEK/SV/B CN – TSX) (TCK/B CN – TSX) Market Capitalization (in Millions): US\$13,766.41 Teck Cominco Limited is an integrated natural resource group with activities in mining, smelting and refining. The company mines zinc, copper, molybdenum, gold, and metallurgical coal in the United States, Canada, Peru and Australia. The company also produces refined metals, specialized metal products and other products.</p> <p>30. <u>Total SA</u> (FP FP – Euronext (Paris)) Market Capitalization (in Millions): US\$ 170,930.40 Total SA explores for produces, refines, transports, and markets oil and natural gas. The company also operates a chemical division which produces polypropylene, polyethylene, polystyrene, rubber, paint, ink, adhesives, and resins. Total SA operates gasoline filling stations in Europe, the United States, and Africa.</p>
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ADJUSTMENT EVENTS, EXTRAORDINARY EVENTS AND MARKET DISRUPTION EVENTS

Adjustment Events and Extraordinary Events

Calculation Agent Adjustments

If an Adjustment Event occurs, the Calculation Agent will make the Calculation Agent Adjustment.

If an Extraordinary Event occurs, the Calculation Agent or the Independent Calculation Agent (if any) will either make the Calculation Agent Adjustment or calculate the Alternative Variable Amount, as described below.

Laurentian Bank will make information available concerning any Calculation Agent Adjustment upon the written request of any Noteholder or his or her CDS Participant. Laurentian Bank will not be responsible for good faith errors or omissions in making any such adjustments.

Early Payment of an Alternative Variable Amount Due to an Extraordinary Event

If an Extraordinary Event has occurred and is continuing, we may (but are not obliged to) elect to pay an Alternative Variable Amount on *all* of the issued and outstanding Notes of a series rather than make the Calculation Agent Adjustment.

If we decide to make an early payment of any Alternative Variable Amount, the payment will be made on *either* the first Business Day after the last Exchange Day we used to determine the Alternative Variable Amount *or* as soon as practicable after the Calculation Agent or the Independent Calculation Agent (if any) notifies us of such amount. **The \$100 Principal Amount remains payable only on the applicable Maturity Date.** The Noteholders will not be entitled to receive any other payment on account of the Variable Amount or the Alternative Variable Amount.

Market Disruption Events

If the Calculation Agent determines that on the first Exchange Day after the Issue Date or the fifth Exchange Day before the Maturity Date of a Note that a Market Disruption Event has occurred with respect to any of the common shares in the Equity Basket, then:

1. the Starting Price for the relevant common shares will be calculated on the next Exchange Day without a Market Disruption Event (but if a Market Disruption Event exists on each of the next eight Exchange Days, then we or the Calculation Agent or the Independent Calculation Agent (if any) will determine the Starting Price for the relevant common shares using a good faith estimate); and
2. the Ending Price for the relevant common shares will be calculated on the next Exchange Day without a Market Disruption Event (but if a Market Disruption Event exists on the fifth Exchange Day after the Maturity Date of the Note, then we or the Calculation Agent or the Independent Calculation Agent (if any) will determine the Ending Price for the relevant common shares using a good faith estimate).

Delay in Payment Due to a Market Disruption Event

If a delay in calculating the Ending Price occurs because of a Market Disruption Event, the payment of any Variable Amount or Alternative Variable Amount, if any, will be made on *either* the first Business Day after the last Exchange Day used to determine the Variable Amount or the Alternative Variable Amount or as soon as practicable after the Calculation Agent or Independent Calculation Agent (if any) notifies us of such amount.

EXTRAORDINARY HEDGING COSTS

If we choose or are required by the terms of our hedges to unwind any hedge after an Extraordinary Event occurs, we may incur Extraordinary Hedging Costs. The term “**hedge**” means a position or positions in one or more of the common shares of the Companies in the Equity Basket or in futures contracts, forward contracts, option contracts, currencies, securities or other instruments taken or committed to, directly or indirectly, by Laurentian Bank to offset or meet all or a portion of its obligations under the Notes.

In effect, the Noteholders compensate Laurentian Bank for these actual costs through a reduction in the amount of the Variable Amount or the Alternative Variable Amount, if any, otherwise payable to them. **The Variable Amount and the Alternative Variable Amount, if any, will not be reduced to below zero.**

METHOD OF PAYMENT

Unless we decide to deliver a payment on the Notes directly to you, we will make payments of amounts due on the Notes to our Paying and Transfer Agent or CDS or the Nominee and then the Paying and Transfer Agent, CDS or the Nominee will have the sole responsibility of and liability for delivering the payment to you.

Neither we nor the Paying and Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership of any series of Notes or for maintaining, supervising or reviewing any records relating to such ownership so long as that series of Notes is represented by a Global Note.

We reserve the right, in the case of payment of an Alternative Variable Amount in respect of a series of Notes before the relevant Maturity Date, to mark on the Global Note for that series that the Alternative Variable Amount has been paid in full and that only the Principal Amount remains payable at the Maturity Date.

In the limited circumstances where the Notes become represented by Notes in definitive form, payment of amounts due on these Notes will be made by cheque mailed to each Noteholder at the address of each Noteholder appearing in a register maintained for the Notes or, if requested in writing by a Noteholder at least five Business Days before the date of the payment and agreed to by us, by electronic funds transfer to a bank account designated by the Noteholder with a bank in Canada. In such cases, payment under any Note in definitive form is conditional upon the Noteholder first delivering the Note to us.

Neither we nor the Paying and Transfer Agent nor CDS (or the Nominee) will be bound to see to the execution of any trust affecting the ownership of any Note or be affected by notice of any equity that may exist for any Note.

RELATED MATTERS

Registration

Each series of the Notes will be represented in the form of one fully-registered, book-entry only Global Note held by or on behalf of CDS in Toronto, Canada as custodian of each Global Note (for CDS Participants), and registered in the name of CDS in Toronto, Canada or the Nominee.

Beneficial or ownership interests in each Global Note will be represented through book-entry accounts of institutions acting as direct and indirect CDS Participants on behalf of the Noteholders.

Except in limited circumstances, purchasers of beneficial interests in a Global Note will not be entitled to receive the Notes in definitive form.

Calculations

Ordinarily, all calculations and determinations to be made in connection with any series of the Notes will be made by us or by the Calculation Agent on our behalf. Whenever the Calculation Agent is required to act, it will do so in good faith and its determinations will be binding in the absence of manifest error. The Calculation Agent does not warrant the accuracy or completeness of information made available with respect to the Equity Basket or of calculations made by it in connection with the Notes.

We may appoint an Independent Calculation Agent to make or confirm calculations or determinations if:

- (a) we elect to make an early payment of an Alternative Variable Amount as contemplated under the *“Adjustment Events, Extraordinary Events and Market Disruption Events–Adjustment Events and Extraordinary Events–Early Payment of an Alternative Variable Amount”* section;
- (b) we or the Calculation Agent determine that the Starting Price or Ending Price of any of the common shares in the Equity Basket cannot be determined for the purposes of calculating the Percentage Change; or
- (c) a material determination required in calculating the Starting Price or Ending Price involves the application of material discretion by us or the Calculation Agent or is based, in whole or in part, on information which is not compiled by, or derived from, sources that are independent of us.

The Independent Calculation Agent (if any) will be active in one or more applicable markets, will act as an independent expert and will not assume any obligation or duty to, or any relationship of agency or trust for or with, the Noteholders or Laurentian Bank or any other person. Any valuations, calculations, determinations or confirmations made by the Independent Calculation Agent (if any) will (except in the case of manifest material error) be final and binding on us and the Noteholders. The Independent Calculation Agent (if any) will not be responsible for good faith errors or omissions in calculating, determining or providing information regarding the common shares of a Company or any adjustments or calculations, as applicable, and we will not be responsible in any way for the actions or omissions of the Independent Calculation Agent (if any). The Independent Calculation Agent (if any) may, with our consent, delegate any of its obligations and functions to a third party as it deems appropriate in good faith acting reasonably.

As soon as possible after we appoint an Independent Calculation Agent (if any), we will notify you of the occurrence of an Extraordinary Event, the identity of the Independent Calculation Agent, any conflicts of interest between the Independent Calculation Agent and us and of each calculation, determination or confirmation by the Independent Calculation Agent.

Plan of Distribution

LBS has agreed to offer the Notes for sale on a best efforts basis. The continuing obligations of LBS may be terminated in certain circumstances and LBS may withdraw all subscriptions for the Notes on behalf of the subscribers on the basis of its assessment of the state of the financial markets. Laurentian Bank will pay LBS the following upfront sales fees per Note on the Issue Date: (i) 2% per Series 4 Note (or \$2.00 per \$100 Principal Amount); and (ii) 4% per Series 5 Note (or \$4.00 per \$100 Principal Amount). There will be no trailer fees paid on the Notes. The fees payable to LBS will be paid by Laurentian Bank on account of services rendered in connection with the offering of the Notes.

Dealers and other firms, acting as selling agents, may sell the Notes to one or more investors at varying prices related to prevailing trading prices at the time of such resale to be determined by such selling agents and LBS will pay commissions to these selling agents in connection with the sale of the Notes.

We may also sell the Notes to investors directly on our own behalf in those jurisdictions in which we are authorized to do so. We will have the sole right to accept offers to purchase the Notes and may reject any proposed purchase of the Notes in whole or in part.

We will not charge you any fees or commissions.

Secondary Trading of the Notes

There is currently no market through which the Notes may be sold. Laurentian Bank does not intend to apply for listing of the Notes on any exchange and is under no obligation to facilitate or establish a secondary market. LBS may develop and maintain, starting one year after the Issue Date until the relevant Maturity Date, a weekly secondary market each series of Notes. LBS may, from time to

time, purchase and sell the Notes in such secondary market, but it will not be obliged to do so and it will have the right to cease to offer to purchase or sell the Notes.

You should not assume that a secondary market will develop for the Notes or that you will be able to sell your Notes before their Maturity Date. If a secondary market does develop starting one year after the Issue Date, there can be no assurance that there will be liquidity in the secondary market or that the secondary market will not be suspended or discontinued at any time without notice. If the secondary market for the Notes is limited, there may be a limited number of buyers for the Notes if a Noteholder does not wish to hold the Notes until maturity. If you decide to sell your Notes before a Maturity Date, you will receive a market price for the Notes which may be less than the \$100 Principal Amount. **If you want to sell some (but not all) of your Notes before their Maturity Date, you are required to hold a minimum of 10 Notes of the same series.**

The trading price of a Note at any time will depend on, among other things, the factors mentioned in Question 9 in the “*Frequently Asked Questions*” section. The relationship among these factors is complex and may also be influenced by various political, economic and other factors that can affect the trading price of a Note.

You should consult your investment advisor on whether it would be more favourable at any time to sell the Notes (assuming the availability of a secondary market) or to hold the Notes until the relevant Maturity Date.

Governing Law

The Notes, and the terms thereof, will be governed by and construed in accordance with the laws of the Province of Quebec, Canada, and the federal laws of Canada applicable therein.

Further Issuance of Notes

We reserve the right to issue the Notes in additional tranches and may issue other note obligations. These other note obligations may have terms substantially similar to the terms of the Notes and may be offered by us concurrently with the offering of these Notes.

Notices to the Noteholders

If notice is required to be given to the Noteholders holding beneficial interests in a Global Note, such notice will be made through CDS on our behalf and will be deemed to have been given to the Noteholders on the fifth calendar day after we give it to CDS. The Noteholders will have access to such information through the CDS Participants through which the Notes are held. We have no obligation to notify the Noteholders in any other manner.

In the limited circumstances where the Notes become represented by Notes in definitive form, notices to the Noteholders holding these Notes will be deemed to be given on the fifth calendar day after sent by first class mail (or equivalent) at their respective addresses as recorded in a register which will be maintained for the Notes.

Modifications of the Notes

Each Note may be amended without the consent of the relevant Noteholders if in our reasonable opinion the amendment would not materially and adversely affect the rights of such Noteholders. In other cases, a Note may be amended if the amendment is approved by a resolution passed by the favourable votes of the relevant Noteholders holding the Notes representing not less than 66 2/3% of the outstanding aggregate Principal Amount of the Notes represented for the purpose of considering the resolution. Each such Noteholder is entitled to one vote per \$100 of Principal Amount held for the purpose of voting at meetings convened for this purpose. The Notes do not carry the right to vote in any other circumstances.

Purchases by Laurentian Bank or the Calculation Agent

We, the Calculation Agent, or any of our or their affiliates reserve the right to and may (but are not obliged to), at any time, subject to applicable laws, purchase any Notes at any price in the open market or by private agreement.

Dealings with the Issuers of the Common Shares

We, the Calculation Agent, or any of our or their affiliates may from time to time have dealings with one or more of the Companies, including through the extension of credit, or the making of investments in the common shares of the Companies. We will base all our dealings on normal commercial criteria. We will not take into account the effect our dealings may have on the value of the Equity Basket, the amount of the Variable Amount that may be payable under the Notes or the Noteholders' interest generally.

DEFINITIONS

The following capitalized terms used in this Information Statement have the respective meanings set forth below.

“**Adjustment Event**” means any event that has a diluting or concentrative effect on the theoretical value of one or more of the common shares in the Equity Basket.

“**Alternative Variable Amount**” will equal the Variable Amount for a series of Notes *minus* Extraordinary Hedging Costs, except that instead of using the Ending Price of the common shares of each Company on the fifth Exchange Day before a Maturity Date, we, the Calculation Agent or the Independent Calculation Agent (if any) will use the closing price of the common shares of each Company on the Exchange Day immediately after the Business Day on which notice of early payment is given on our behalf to the Noteholders of the relevant series of Notes.

“**Business Day**” means a day on which commercial banks are open for business and able to effect transactions in foreign exchange and foreign currency deposits in Toronto, Canada and a day on which book-entry transfers may be effected through CDS. If any date on which any action is otherwise required to be taken in respect of the Notes is not a Business Day, the date on which such action shall be taken shall, except as otherwise indicated, be the next following Business Day and, if the action involves payment of any amount, no interest or other compensation shall be paid as a result of any such delay.

“**Calculation Agent**” means the calculation agent for the Notes appointed by Laurentian Bank from time to time and its successors and assigns. The Calculation Agent will initially be Laurentian Bank.

“**Calculation Agent Adjustment**” means the appropriate adjustment, if any, made by the Calculation Agent or the Independent Calculation Agent (if any) to the Starting Price or the Ending Price of the common shares in the Equity Basket and any other adjustment to the terms of the Notes as may be desired to preserve as nearly as practicable the economic equivalent of the obligations of Laurentian Bank on the Notes before the occurrence of the Adjustment Event or the Extraordinary Event. The Calculation Agent or the Independent Calculation Agent (if any) may (but need not) determine the appropriate adjustment by reference to the adjustments made by an options exchange on which options of the relevant common shares are written or traded.

“CDIC” means Canada Deposit Insurance Corporation and its successors and assigns.

“CDS Participant” means a broker, dealer, bank or other financial institution or other person for whom CDS effects book-entry transfers and pledges of the Notes under the book-entry system.

“Exchange Day” means, in respect of a Company, a day on which each Principal Exchange is scheduled to be open for trading for its respective regular trading session and is so open, even if it closes before its scheduled weekday closing time.

“Independent Calculation Agent” means the calculation agent that is not an affiliate of the Calculation Agent and may be appointed by the Calculation Agent to make or confirm the calculations and determinations to be made in connection with any series of the Notes.

“Market Disruption Event” means, as determined by the Calculation Agent with respect to any common share in the Equity Basket, (i) any suspension of or limitation imposed on trading by the relevant Principal Exchange or otherwise, (ii) any event that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, any common share in the Equity Basket on the Principal Exchange, or (iii) the closure on any Exchange Day of the relevant Principal Exchange before the scheduled closing time unless the closure is announced at least one hour before the scheduled closing time or deadline for orders on the Principal Exchange.

“Paying and Transfer Agent” means the paying and transfer agent for the Notes appointed by us from time to time. The Paying and Transfer Agent will initially be Laurentian Bank.

“Principal Exchange” means any stock exchange or quotation system on which the common shares included in the Equity Basket are listed, including any successor or substitute exchange or quotation system. As of the date of this Information Statement, the Principal Exchanges are NYSE Group Inc., TSX Inc., Euronext N.V., Deutsche Börse AG, Australian Stock Exchange Limited, London Stock Exchange plc, Tokyo Stock Exchange, Inc., The Stock Exchange of Hong Kong Limited, Korea Exchange, Inc. and SWX Swiss Exchange.

“Series 4 Note” or **“Series 4 Notes”** means the Laurentian Bank of Canada Principal Protected China Objective Equity Linked Deposit Notes due April 16, 2012.

“Series 5 Note” or **“Series 5 Notes”** means the Laurentian Bank of Canada Principal Protected China Objective Equity Linked Deposit Notes due April 13, 2017.