



Press release

LAURENTIAN BANK OF CANADA SIGNS AN AGREEMENT WITH COVARIETY TO AUTOMATE COMMERCIAL LOAN REPORTING

Kitchener, ON. Oct. 25, 2006 - Covarity, the leading provider of on-demand commercial loan management solutions today announced that Laurentian Bank of Canada, one of Quebec's leading financial institutions, has signed an agreement with Covarity for automating the ongoing management of their margin-based commercial loans. The Covarity solution will be deployed in all Laurentian Bank of Canada Commercial Centers.

Commercial Lender Challenges

For financial institutions offering margin-based loans, the process by which these loans are monitored, and adjusted creates a number of challenges. Borrowers strive to meet reporting requirements and lenders waste valuable time searching and compiling the required information. This results in adjustments to credit availability not being made in a timely manner. Through its hosted service Covarity helps ensure compliance and increase efficiencies by automating the collection and management of key loan documents, significantly improves risk management controls while helping to profitably grow lending portfolios, and strengthening borrower relationships.

"Within our commercial business segment we are continually innovating in order to maintain a competitive advantage and deliver the highest level of service to our business clients," said André Scott, Executive Vice President, Commercial Financial Services. "The Covarity solution will streamline our current commercial loan processes and make critical loan data readily available to our commercial officers enabling them to be more responsive to borrower needs."

"We are especially pleased to add Laurentian Bank of Canada to our growing customer list of leading banks and credit unions across North America," said Rod Foster, President and CEO, Covarity. "Our selection by Laurentian Bank is a testament to our ability to meet the needs of all types of financial institutions and to the benefits realized through the deployment of our solution."

About Laurentian Bank of Canada

Laurentian Bank of Canada is a Quebec banking institution operating across Canada, dedicated to meeting the financial needs of its clients through the excellence of its service, its simplicity and its proximity. The Bank serves individual consumers, small and medium-sized businesses as well as, through B2B Trust, independent financial advisors. It also provides full-service brokerage solutions through the Laurentian Bank Securities subsidiary. Laurentian Bank is well established in the Province of Quebec, operating the third largest retail branch network and is a performing player in specific market segments elsewhere in the country. Laurentian Bank of Canada has over \$17 billion in balance sheet assets and close to \$15 billion in assets under administration. Founded in 1846, the Bank employs more than 3,200 people. Its common shares are listed on the Toronto Stock Exchange (TSX: LB). For more information, please visit www.laurentianbank.ca.

About Covarity

Covarity is the market leader in on-demand commercial loan management solutions that enable lending institutions to automate the management of financial statements and documents, significantly improve risk management controls, and strengthen borrower relationships. A simple Internet connection enables lenders to electronically receive financial documents from borrowers eliminating time consuming manual data entry and helping to ensure compliance with both regulatory requirements and loan covenants. A sophisticated, customizable, rules engine provides consistency of loan analysis while improving the quality of loan portfolios. In addition, the Covarity Dashboard provides senior executives, account managers, and loan analysts real-time visibility into loan details enabling financial institutions to more proactively manage loan portfolios and improve borrow satisfaction. Delivered as a hosted service, the Covarity solution deploys rapidly, requires no capital investments in software or hardware infrastructure, and provides a predictable monthly expense. For more information, please visit www.covarity.com.

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