

Distribution Alliance Investment Loan Program

At B2B Bank, we've developed our Investment Loan Program by talking to advisors and listening carefully — creating what you want for both yourself and your clients. The result is a comprehensive suite of investment loan products that provides exceptional value, simple administration and a broad range of options. It's part of our commitment to make it easy for you to meet all of your client's investment borrowing needs.

Highlights

- Loan amounts up to \$300,000¹ allow you to consolidate all of your client's loans with a single loan supplier.
- Less paperwork² for all loans under \$100,000 means your client's loans will be funded and invested quickly.
- Simplified loan products and rate structure make it easier to explain to your clients.
- Highly competitive loan interest rates have a greater market appeal.
- Broad fund eligibility with a majority of Canadian investment industry assets qualifying as eligible collateral.
- Easy-to-use online application, EASE (Electronic Application Submission Entry), that saves you time with pre-populated forms. Paper application forms can also be submitted, by fax and mail.
- Status notifications are sent within seconds of submitting an online application and throughout the adjudication and funding process.

Investment loan rates*

For all investment loan products

Effective October 15, 2010

Loan Amount	Distribution Alliance Loan Program
\$10,000 - \$99,999	Prime + 1.00%
\$100,000 - \$300,000	Prime + 0.75%

*Rates are applicable to Interest Only or Principal & Interest monthly payment types. Prime Rate means the annual interest rate announced by B2B Bank from time to time as being its reference rate then in effect (the "Prime Rate"). The annual percentage rate (APR) cost of borrowing for a one year term 100% investment loan of \$50,000 is 4.00% [Prime Rate + 1.00% as of October 15, 2010]. All rates are subject to change without notice. For current investment lending interest rates, please visit b2bbank.com.

Program overview

Loan Details	100%	3 For 1	2 For 1	1 For 1
Loan amount	\$10,000 - \$300,000 ¹			
Call type	Margin call and no margin call options.			
Monthly payment	Interest Only or Principal & Interest payment.			
Loan-to-value (LTV) at approval	100%	75%	66.6%	50%
Margin warning (if applicable)	110%	85%	75%	75%
Margin call (if applicable)	120%	95%	85%	85%
Excess collateral release ³	< 100%	< 75%	< 66.6%	< 50%
Excess collateral release ³ (GMWB ⁴ segregated funds)	< 80%	< 67.5%	< 66.6%	< 50%
Conversion to Principal & Interest payment ⁵ (For no margin call, Interest Only loans)	LTV ≥ 125%	LTV ≥ 100%	LTV ≥ 100%	LTV ≥ 100%
Proof of assets	Required for all loans ≥ \$100,000 ⁶	Required upon request	Required upon request	Required upon request
Proof of income	Required for all loans ≥ \$100,000 ⁶	Required upon request	Required upon request	Required upon request
Salaried income — Recent pay stub or Notice of Assessment				
Commissioned income — Last two years' Notice of Assessment				
Self-employed income — Last two years' Notice of Assessment and Financial Statements				
TDSR	40%	TDSR will be calculated but will not solely determine credit decision.		
Eligible fund collateral ⁷	B2B Bank lends on a majority of available Canadian investment industry assets.			
Net worth minimum	1 x loan amount if < \$100,000 1.5 x loan amount if ≥ \$100,000 2 x loan amount if > \$250,000	Not applicable	Not applicable	Not applicable
Credit history	All obligations must be up-to-date and paid as agreed. No bankruptcies, collections or judgments.			
Application submission	Online and paper applications are welcome. Applications are typically reviewed within one business day.			
Funding	Funding typically occurs within one business day upon receipt and verification of original documentation.			

For more information, call **1.800.263.8349** or visit **b2bbank.com**.

¹Loan applications for amounts greater than \$300,000 are welcome, however, credit qualification criteria, documentation requirements and processing time may vary. ²Additional documents may be requested at the discretion of B2B Bank. ³The LTV ratio of the loan must remain below the values shown after collateral is released. A credit bureau may be obtained prior to collateral release. ⁴GMWB funds can only be selected for pledge or purchase if the funds meet B2B Bank's collateral eligibility criteria and a Distribution Alliance agreement is in place with the life insurance company. ⁵Will occur once the LTV ratio is equal to or greater than 125% for 100% Loans or 100% for 3 For 1, 2 For 1 or 1 For 1 Loans. If after 3 months, the LTV ratios fall below 125% for 100% Loans and 100% for 3 For 1, 2 For 1 and 1 For 1 Loans, the borrower may request in writing to resume the Interest Only payments. ⁶Documentation for loans less than \$100,000 may be requested at the discretion of B2B Bank. ⁷Certain criteria apply, such as funds must be traded electronically, valued at least weekly and in Canadian dollars. Retail Venture Capital, Alternative Strategies and Miscellaneous/Specialty (including Principal Protected Notes) are not eligible as loan collateral. B2B Bank is a wholly-owned subsidiary of Laurentian Bank of Canada. B2B Bank does not provide investment advice to individuals or advisors and does not endorse nor promote any investment products. The dealer and advisor, not B2B Bank, are responsible for determining the suitability of investments for their clients and for informing them of the risks associated with borrowing to invest. B2B Bank acts solely in the capacity of lender and loan account administrator. Any loan approval by B2B Bank should not be construed as an endorsement of any investment choice, program or strategy. All loans are subject to credit approval and borrowed monies are due and payable regardless of the performance of the investments purchased. B2B Bank reserves the right to request additional information or documentation at its sole discretion. The B2B Bank Investment Loan Program is available exclusively through licensed financial advisors. Commissions, trailing commissions, management fees and expenses, all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. **Special note for Segregated Fund Investments:** The costs of the registration, renewal and/or discharge of the security under applicable personal property security legislation will be applied to the borrowers' loan payment at the time of the occurrence. B2B Bank will take an assignment on the individual variable insurance contract, which will be held as collateral. Advisors should be aware that a segregated fund policy or any other investment product with a principal guarantee feature or other guaranteed benefits could be surrendered by B2B Bank to repay the loan. Investors cannot depend on any principal repayment guarantees or other guaranteed benefits until such time as all conditions for the payment of guarantees or benefits are satisfied. Any surrenders made by B2B Bank to repay the loan may affect guarantees or benefits, may result in a loss of original invested capital and/or other guaranteed benefits, including but not limited to guaranteed minimum withdrawal benefits, and may have tax consequences. ⁸B2B BANK is a registered trademark of B2B Bank.

For advisor information only