LAUNRENTIAN BANK

VARIABLE RATE PERSONAL LOAN CONTRACT AND STATEMENT OF DISCLOSURE

Loan Number	
Branch	Loan No. and Suff.

Issued on (DD/MM/YYYY)

BRANCH			
Address	City	Province	Postal Code
BORROWER(S)			
Last and First Name(s)		Telephone (Home)	Telephone (Work)
Last and First Name(s)			
Current Address	Ville	Province	Postal Code

PART 1 – STATEMENT OF DISCLOSURE

For the purpose of this disclosure statement, the terms “you” and “your” refer to the borrower whereas “we”, “us” and “our” refer to Laurentian Bank of Canada (hereinafter the “Bank”).

INFORMATION BOX SUMMARY		
A.	**Principal Amount**	**$**
B.	**Annual Interest Rate**	**%** Initial variable interest rate (Client Rate) applicable on the date of the disclosure statement. Interest accrues daily and is payable at each payment date as specified under line G (Payments). The unpaid interest is payable at each payment date.
C.	**Determination of Interest**	As at the date of this disclosure statement, your rate is: **Base rate*:** % **Plus/minus:** % **Client Rate:** % Your interest rate is the Bank’s personal loans base rate plus or minus an adjustment factor. Your interest rate will change and will be adjusted whenever the Bank’s personal loans base rate changes. *The term “personal loans base rate” refers to the annual interest rate announced by the Bank from time to time as the reference rate then in effect for determining interest rates in Canadian dollars on personal loans granted in Canada.
D.	**Annual Percentage Rate**	**%** Annual rate including interest and total fees making up the cost of borrowing, if applicable (APR).
E.	**Term**	**months** This term is open, which means the loan is repayable at any time (see Line I).

F.	**Date of Advance**	Date on which the principal amount is disbursed. Interest begins accruing as of the day following the Date of Advance.		
G.	**Payments**	**$** Payable monthly on the _____ day of each month. Your payments include the interest accrued and a portion of the principal amount.		
H.	**Amortization Period**	Your loan is repayable over a period of **months**.		
I.	**Prepayment Privilege**	The balance of the total obligation may be prepaid at any time in whole or in part, without notice or indemnity.		
J.	**Prepayment Charges**	None.		
K.	**Default Insurance**	Not applicable.		
L.	**Other Fees** *(Québec)*	Account maintenance fees		**$0.00**
		Fees for returned or dishonoured payment/late payments		**$65.00**
		Manual production of statement		**$40.00**/ hour, min. **$20.00**
		Administration fees, including fees for services, operations and any other activity related to the loan		**$**
		Land/ Immovable Security	Cancellation fees (total discharge or release)	**$0.00**
			Release fees (partial)	**$85.00**
			Easement/ Servitude fees	**$85.00**
		Chattel/ Movable Security	Cancellation fees (total discharge or release)	**$0.00**
			Release fees (partial)	**$0.00**
L.	**Other Fees** *(Ottawa)*	Account maintenance fees		**$0.00**
		Fees for returned or dishonoured payment/late payments		**$65.00**
		Manual production of statement		**$40.00** /hour, min. **$20.00**
		Administration fees, including fees for services, operations and any other activity related to the loan		**$**
		Land/ Immovable Security	Cancellation fees (total discharge or release)	**$0.00**
			Release fees (partial)	**$85.00**
			Easement/Servitude fees	**$85.00**
		Chattel/ Movable Security	Cancellation fees (total discharge or release)	**$0.00**
			Release fees (partial)	**$0.00**

DISCLOSURE STATEMENT:

1. **PRINCIPAL AMOUNT AND ANNUAL INTEREST RATE:** Principal amount that you shall reimburse is the amount indicated on Line A of the Information Box - Summary (hereinafter the "Summary"). This amount includes the amount of administration fees specified in Paragraph 4, the publication fees specified in Paragraph 11, your life insurance premium and disability insurance premium and applicable taxes offered as optional coverage on the loan as specified in Paragraph 8 herein should these amounts be financed by the Bank.

   Your interest rate is the rate indicated on Line B of the Summary. This variable interest rate corresponds to the personal loans base rate advertised by the Bank, plus or minus an adjustment factor. Your interest rate will change and will be adjusted whenever the personal loans base rate changes.

   The wording "personal loans base rate" refers to the annual interest rate announced by the Bank from time to time as the reference rate then in effect for determining interest rates in Canadian dollars on personal loans granted in Canada.

   Interest accrues daily and is payable at each payment date as specified under line G (Payments) of the Summary.

   Interest begins accruing as of the day following the Date of Advance. If a payment is not made on the due date, the interest owed on the payment will be added to the accrued interest and will be payable at each payment date.

2. **TERM AND DATE OF ADVANCE:** The term of your loan is ___ **months**. The Date of Advance is shown on Line F of the Summary.

   Given the fact that payments are adjusted only once a year as indicated in Paragraph 3d), it is possible that a balance will remain due to the Bank after the expiry of the term of the loan indicated on Line E of the Summary, due to variations in the interest rate between the date of the last payment adjustment and the expiry of the term of your loan. In such a case, fixed payments will continue to be collected after the expiry of the term until the loan balance is repaid in full.

3. **PAYMENTS:**

   a) Based on the annual interest rate defined on Line B of the Summary, the total obligation is payable in ______ payments of **$**________________ on the ______ day of each consecutive month as of ____________________ with one last payment of $__________________ on _________________;

   b) Each instalment provided for in this section or any other payment you may make from time to time will first be applied by the Bank to the payment of the accrued interest and other charges, at the annual interest rate defined on Line B of the Summary, and any balance will be used to reduce the principal amount of the loan;

   c) Based on the initial rate, the sum of all payments made at maturity, provided all payments are made on the prescribed dates and the rate and payments remain unchanged, shall be **$**________________;

   d) The payments are adjusted once a year, at year-end (or on the loan anniversary date), based on the remaining amortization. If the client rate increases beyond _______**%**, the amount of each payment will prove insufficient to cover the interest accrued on each instalment. A negative amortization is thus possible;

   e) The acceptance by the Bank of any of the abovementioned payments on the prescribed dates will be interpreted only as an acknowledgement of your ability to make certain payments; the Bank nevertheless reserves the right to claim repayment of the loan at any time.

4. **FEES MAKING UP THE COST OF BORROWING:** The fees making up the cost of borrowing applicable to your loan are as follows:

   - INTEREST, interest on the term of the loan at the client rate: $
   - ADMINISTRATION FEES, including fees for services, operations and any other activity related to the loan: **$**
   - TOTAL: **$**

5. **COST OF BORROWING**: The cost of borrowing is calculated by adding the fees listed in Paragraph 4 "Fees Making Up the Cost of Borrowing". The cost of borrowing expressed in dollars ($) for the loan term is $__________________. The cost of borrowing for the loan term expressed as an annual percentage (%) is shown on Line D of the Summary. The cost of borrowing is rounded off to the nearest **1/8%** based on the interest rate indicated on Line B of the Summary assuming that this interest rate does not change and all payments were made when due.

   As your interest rate may fluctuate, information related to the cost of borrowing is provided for information purposes only. The cost of borrowing is subject to interest rate fluctuations during the loan term.

6. OTHER FEES: The Other fees charged by the Bank that you may incur prior to the end of the term of your loan are enumerated at Line L of the Summary. If the amount of said fees is not paid for by cheque, the amount of said fees will be added to the principal amount of your loan and will bear interest at the rate stipulated on Line B of the Summary.

7. PREPAYMENT: You are entitled to prepay all or part of the amount of the total obligation referred to in this disclosure statement at any time before maturity, without notice or penalty.

8. OPTIONAL SERVICES: Your life insurance premium and disability insurance premium offered as optional coverage on the loan are **$** and **$** respectively. The taxes on insurance premiums are **$** . This or these amount(s) represent(s) a single, non-recurring premium.

9. OTHER UNDERTAKINGS: If your loan is not reimbursed or if a payment has not been made on the due date, the following fees may be charged:

a) Accrued interest and principal balance fees, both of which are calculated using the annual interest rate then in effect, as defined on Line B of the Summary;

b) Legal fees incurred by the Bank or on its behalf to institute proceedings in order to recover the loan amount due;

c) Reasonable fees, including legal fees, incurred by the Bank or on its behalf and paid to any person other than Bank employees in order to protect or realize any collateral security held to guarantee the repayment of the loan; and

d) Fees for returned or refused payment. The fees payable are indicated on Line L of the Summary.

10. DESCRIPTION OF THE PROPERTY PROVIDED AS SURETY:

Face value	**Description**	**Realizable value**
	Total Realizable Value	**$**

If the property is a vehicle:

11. PUBLICATION FEES: If your loan is guaranteed by a land mortgage/immovable hypothec or chattel mortgage/movable hypothec, you must pay fees for publishing and cancelling the security in the land register or the register of personal and movable real rights (RDPRM) (or in any other register of a similar nature) in effect in the province at the time of publication and cancellation there from and, if applicable, the cession of rank/postponement fees and other fees of a similar nature.

12. CANCELLATION, DISCHARGE OR RELEASE: For information purposes only, as at the date of this disclosure statement, the fees charged by the Bank for the cancellation (total discharge or release) and/or partial release of the mortgage/hypothec are those indicated on Line L of the Summary.

PART 2 – VARIABLE RATE PERSONAL LOAN CONTRACT

Loan No.

Contract entered into at ____________ (City) between Laurentian Bank of Canada ____________ (Address of the Branch)

Hereafter the “Bank” or the “Merchant” and ____________ (Name and Address of the Consumer)

1. UNDERTAKING UNDER VARIABLE RATE PERSONAL LOAN

a) You acknowledge that you owe the Bank for good and valuable consideration the following amounts:

1. Net capital: $
2. Interest: $
3. Insurance premium carried (further detailed in paragraph 8) of the Statement of Disclosure (hereafter the “SOD”): $
4. Other components : $
5. Total credit charges for the duration of the loan Sums of lines : 2, 3 and 4) : $
6. Total obligation (as per the terms and conditions stipulated in paragraph 3 of the SOD): $
7. Annual credit rate (as stipulated on Line D of the Summary in the SOD): ________%

b) The loan is repayable monthly pursuant to the terms and conditions stipulated in paragraph 3 of the SOD and for the duration of the loan stated on Line E of the Summary. The loan shall be disbursed on ____________________.

c) This variable rate personal loan shall come into force on the date this document is signed.

d) The SOD is an integral part of this Variable Rate Personal Loan Contract (hereafter the “Contract”).

2. REPAYMENT TERMS AND CONDITIONS

a) The sum borrowed may be repaid, in whole or in part, without incurring any penalty, at any time before maturity. You agree to repay the loan in whole under the terms and conditions herein. The total loan amount shall be repayable immediately when one of the events below occurs:

1. You die;
2. You fail to make the payments required or to fulfill any obligation under the Contract;
3. You become insolvent, declare bankruptcy or make a proposal under the *Bankruptcy and Insolvency Act* or under any similar legislation; or
4. You are in default under the deed of hypothec granted or if the securities pledged to the Bank cease to be in effect; or
5. In the case of a loan application or under the Contract, you make a statement that proves to be false or inaccurate; or
6. The transaction account(s) or registered account(s) that you hold at the Bank is (are) seized through legal or administrative government proceedings; or
7. In the case of an RRSP loan, you close or request the transfer of the RRSP wherein the loan amount was applied as an RRSP contribution.

b) In the latter case, you acknowledge being solely liable for any tax or fee or any tax fallout or consequence resulting from the closure or transfer of your RRSP.

c) You agree to pay the interest at the rate specified in the Contract on any amount owing before or after the due date, default or judgement, until fully paid.

d) You further agree that if the payment due date specified in this Contract falls on the 29th, 30th or 31st day of the month, the Bank may postpone the payment to the 1st day of each subsequent month.

3. CLAUSE REQUIRED UNDER THE *CONSUMER PROTECTION ACT* (Quebec only)

CLAUSE OF FORFEITURE OF BENEFIT OF THE TERM

Before availing himself of this clause, the merchant must send the consumer a notice in writing and a statement of account.

Within 30 days following receipt by the consumer of the notice and the statement of account, the consumer may:

(a) either remedy the fact that he is in default;

(b) or present an application to the court to have the terms and conditions of payment prescribed in this contract changed.

It is in the consumer's interest to refer to sections 104 to 110 of the *Consumer Protection Act* (chapter P-40.1) and, where necessary, to communicate with the Office de la protection du consommateur.

4. CONSOLIDATION OF DEBTS OWING TO THE BANK OR AMENDMENT OF A PRIOR LOAN

You are liable toward the Bank under the Contract(s) hereafter stipulated for which you wish to disburse the following amount(s) for the early discharge of your obligation under the terms and conditions of these Contracts. This Contract shall not effect novation on the prior loans hereafter:

Original Loan or Contract			Net Balance Required by Borrower
Branch	Account Number	Suffix	
			$
			$
			$
			$

5. SURETY

In consideration of the aforementioned loan granted by the Bank to the borrower, I hereby declare having read the Contract and shall pledge sole suretyship to the borrower and other guarantors, as applicable, with all obligations and conditions stated herein, and particularly regarding the payment of all sums due to the Bank under the present Contract.

Furthermore, I convey to the Bank the right to accept, without my consent, any arrangements with the borrower or to make any dealings it sees fit regarding the payment of the above loan without modifying, lessening or limiting my liability under the present contract. Should I have any queries regarding the status of the loan, I will address them to the Bank in writing.

I declare having received and read on this day a duplicate copy of the present Contract duly signed.

In acknowledgment and guarantee of my obligation under this Contract, I hereby give to the Bank the following object, document and/or security:

Face Value	Description	Realizable Value
	Total Realizable Value	$

If the property is a vehicle:

Signed at ________________________ this __________ day of ______________________________

Name of Guarantor	Name of Guarantor
Address	Address
Signature	Signature

6. SOLIDARITY

If there is more than one borrower, they undertake to reimburse the Bank jointly and severally the total obligation as herein detailed and to abide by all of the terms and conditions as set forth in this Contract.

7. ADDITIONAL TERMS AND CONDITIONS

a) The legal or contractual rights and recourses in respect of this Contract are cumulative rather than alternative. The Bank's failure to exercise any of its rights or recourses if you default shall not be construed as a waiver of the right to exercise such rights or recourses in the event of any subsequent default.

b) To the extent permitted by law, the Bank may, at its entire discretion, amend or execute any provision stipulated in this document after a prior written notice of at least thirty (30) days mailed to my last known address, and stating the amendments taking effect. If you have not repaid your variable rate personal loan (30) days after the notice is mailed, it will be deemed that you have accepted the amendments stipulated therein.

c) You may cancel the present contract if it was entered into by mail or orally by telephone within fourteen (14) business days after the day on which the contract is entered into or if it as entered into in any other manner, within three (3) business days after the day on which the contract was entered into, by notifying the Bank. If you exercise such right, the Bank shall in writing and without delay acknowledge receipt of your notice of cancellation and confirm what it intends to recover, such as any amounts related to your use of the loan prior to cancellation and any expense the Bank has reasonably incurred in providing the loan. The Bank shall waive any cancellation charge and without delay refund you any amount it received in respect of the provision of the loan.

d) This document will be governed and interpreted for all purposes by and under the laws of the province of Quebec and under the laws of Canada applicable in that province. You will defer to the competence of the courts in the province of Quebec and to the judicial district of Montréal in respect to any conflict arising from this document.

e) The variable rate personal loan terms and conditions apply to the extent permitted by law. If any provision herein (or its subsequent amendment) is prohibited by law or is deemed partially or completely invalid or unenforceable by a competent court, such provision, or the portion at issue in this provision, shall be given the maximum permissible effect, and such invalidity or illegality shall not affect the other terms and conditions of this Contract.

f) Whenever the context so requires, the singular shall be interpreted as plural, the masculine gender as feminine or neutral and vice versa.

8. CLAUSE REQUIRED UNDER THE *CONSUMER PROTECTION ACT* (Quebec only)

CONTRACT FOR THE LOAN OF MONEY

(1) The consumer may cancel this contract without charge within 2 days following that on which each party takes possession of a duplicate of the contract.

To cancel the contract, the consumer must:

(a) return the money to the merchant or the merchant's representative, if the consumer received the money at the time each party took possession of a duplicate of the contract;

(b) send a notice in writing to that effect, or return the money to the merchant or the merchant's representative if the money was not returned to the merchant or the merchant's representative at the time each party took possession of a duplicate of the contract.

The contract is cancelled, without further formality, as soon as the consumer returns the money or forwards the notice.

(2) If the consumer uses all or part of the net capital to make full or partial payment for the purchase or the lease of goods or for a service, the consumer may, if the contract for the loan of money was entered into on the making of and in relation to the sale, lease or service contract, and if the merchant and the lender collaborated with a view to granting loans, plead against the lender any ground of defence urgeable against the merchant who is the vendor, lessor, contractor or service provider.

The consumer may also, in the circumstances described above, exercise against the lender, or against the lender's assignee, any right exercisable against the merchant who is the vendor, lessor, contractor or service provider if that merchant is no longer active or has no assets in Québec, is insolvent or is declared bankrupt. The lender or the lender's assignee is then responsible for the performance of the obligations of the merchant who is the vendor, lessor, contractor or service provider up to the amount of, as the case may be, the debt owed to the lender at the time the contract is entered into, the debt owed to the assignee at the time it was assigned to him or the payment the lender received if he assigned the debt.

(3) The consumer may pay, in whole or in part, the amount of the obligation before maturity.
The balance due is equal at all times to the sum of the balance of net capital and credit charges calculated in accordance with the Act and the Regulation respecting the application of the *Consumer Protection Act*.

(4) The consumer may, once a month and without charge, request a statement of account from the merchant; the latter must furnish the consumer with the statement of account or forward it to the consumer as soon as possible but at the latest within 10 days of the receipt of the request.

In addition to the statement of account prescribed above, the consumer who wishes to pay the balance of his obligation before maturity may, at all times and without charge, request a statement of account from the merchant; the latter must furnish the consumer with the statement of account or forward it to the consumer as soon as possible but at the latest within 10 days of the receipt of the request.

It is in the consumer's interest to refer to sections 73, 74, 76, 91, 93 and 103.1 of the *Consumer Protection Act* (chapter P-40.1) and, if further information is necessary, to contact the Office de la protection du consommateur.

9. LANGUAGE (Quebec only)

The parties expressly agree and request that this contract as well as all documents and notices issued relating to it be drawn in English. *Les parties ont expressément exigé que ce contrat ainsi que tous les documents et avis émis en vertu des présentes soient rédigés en anglais*.

DECLARATION OF BORROWER

YOU HEREBY ACKNOWLEDGE AND DECLARE THAT:

a) This Contract has been prepared at a minimum in duplicate;
b) The Bank has signed this duly completed document and allowed me to read through it before appending my signature;
c) I have read the Contract and fully understand the scope and contents thereof;
d) I have received this day a duly executed duplicate of this Contract.

In consequence thereof, if my Contract is accepted by the Bank, I agree to fulfill all the obligations imposed on me.

Signed at ______________________________ this ____

______________________________	______________________________
(Borrower)	**(Authorized representative of the Bank)**
______________________________	
(Borrower)	

FOR ANY INFORMATION REGARDING YOUR VARIABLE RATE PERSONAL LOAN, YOU MAY CONTACT THE BANK AT 1-800-252-1846 OR 514-252-1846 IN THE MONTRÉAL AREA. YOU CAN ALSO VISIT THE BANK'S WEB SITE OR WRITE TO THE BANK AT THE FOLLOWING ADDRESS: www.laurentianbank.ca
1360 RENÉ-LÉVESQUE BOULEVARD WEST, SUITE 600, MONTRÉAL, QUEBEC H3G 0E5