

# Equitable Bank closes transaction to assume issuer rights for \$3.1 billion of NHA MBS

TORONTO, Oct. 18, 2016 /CNW/ - Equitable Bank ("Equitable" or the "Bank"), a subsidiary of Equitable Group Inc. (*TSX:EQB and EQB.PR.C*), confirmed that it has closed a previously announced transaction to become the successor issuer on \$3.1 billion of outstanding National Housing Act ("NHA") Mortgage Backed Security ("MBS") pools originally issued by Maple Bank GmbH's Toronto Branch ("Maple" or "MB-Tor"). In a related development, Equitable also purchased \$139 million of other assets collateralized by insured residential mortgages from MB-Tor.

The terms and conditions of the final agreement, as well as the financial impact to the Bank, are consistent with those detailed in a press release issued by Equitable on September 12, 2016.

## ABOUT EQUITABLE BANK

Equitable Bank is Canada's ninth largest independent Schedule I bank, serving Canadians coast to coast. It offers a diverse suite of residential lending, commercial lending and savings solutions, including high-interest savings products and GICs. Through its proven branchless approach and customer service focus, Equitable Bank has grown to approximately \$20 billion in assets under management. Most recently, Equitable Bank launched a digital banking operation, *EQ Bank*, and introduced the *EQ Bank Savings Plus Account*. Equitable Bank currently employs over 500 employees across the country, and was named one of Canada's best employers for 2016 by Aon. For more information about Equitable Bank and its products, please visit [equitablebank.ca](http://equitablebank.ca).

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements made by the Company in this news release, in other filings with Canadian securities regulators and in other communications include forward-looking statements within the meaning of applicable securities laws ("forward-looking statements"). These statements include, but are not limited to, statements about the Company's objectives,

strategies and initiatives, financial result expectations and other statements made herein, whether with respect to the Company's businesses or the Canadian economy. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "planned", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved." Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to capital markets and additional funding requirements, fluctuating interest rates and general economic conditions, legislative and regulatory developments, the nature of our customers and rates of default, and competition as well as those factors discussed under the heading "Risk Management" in the Management's Discussion and Analysis and in the Company's documents filed on SEDAR at [www.sedar.com](http://www.sedar.com). All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting the Company and the Canadian economy. Although the Company believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by the Company in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its mortgage business at current levels, a continuation of the current level of economic uncertainty that affects real estate market conditions, continued acceptance of its products in the marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

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