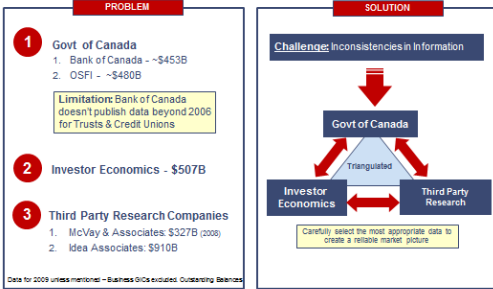


Mezzanine helped a large financial institution gain a better understanding of the GIC market in Canada and formulate a strategy to enter the market.

Challenge: There are discrepancies in the size of the market given different sources. We have taken a deep dive to better understand the market size and determine shares held by individual competitors. We have also triangulated information from different sources.

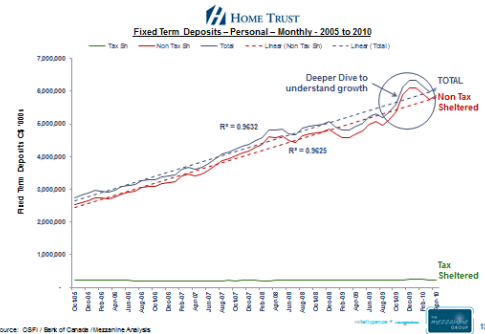
The personal fixed term deposit market is \$499B. Resmor Trust and Canadian Tire has seen good growth in 2009. Overall the market shrunk by 1.7%. The seven largest banks represent nearly 86% of the market.



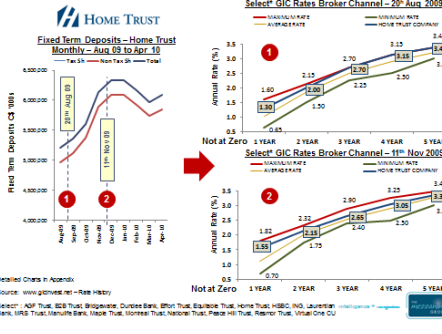
Fixed Term Deposits - Individuals only - 2008 & 2009

Bank	2008	2009	% Change	2008	2009	% Change
Total	483,281,634	482,688,202	-0.1%	100.0%	100.0%	-0.1%
Key Competitors	418,497,208	418,497,208	0.0%	86.6%	86.6%	0.0%
TD	89,211,000	89,211,000	0.0%	18.5%	18.5%	0.0%
RBC	73,560,000	73,560,000	0.0%	15.2%	15.2%	0.0%
Bank of Montreal	66,100,000	66,100,000	0.0%	13.7%	13.7%	0.0%
Bank of Toronto	55,100,000	55,100,000	0.0%	11.4%	11.4%	0.0%
Scotiabank	49,100,000	49,100,000	0.0%	10.2%	10.2%	0.0%
Other	10,000,000	10,000,000	0.0%	2.1%	2.1%	0.0%

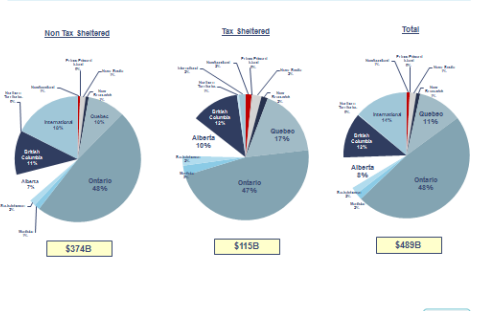
In last five years Home Trust's growth has been linear and steady. They have on average grown by \$743MM a year for the last five years with a 96% correlation. We wanted to better understand the growth from Aug to Dec 2009, so we focused on that period.



There is evidence to show that the volume increase that Home Trust experienced from Aug 09 to Nov 09 was driven by an increase in rates. Home Trust increased its rates to near maximum to gain the volume.



We have also looked at provincial distribution of the market. Ontario is the most significant market. The distribution is in line with GDP distribution.



Resmor Trust has been able to grow its business significantly in the last few years. It has one of the highest published rates. Its also been able to grow in 2009 & 2010, when the market has shrunk.

Cashable Investments

Term	Rate
1 year	0.90%

Short Term Investments

Term	Rate
30 day	0.20%
60 day	0.25%
90 day	0.85%
120 day	1.00%
180 day	1.30%
270 day	1.40%

Long Term Investments

Term	Rate
1 Year	1.70%
2 Years	2.55%
3 Years	3.05%
4 Years	3.35%
5 Years	3.85%

Challenge

A leading global financial institution was looking at ways to fund its growing mortgage business in Canada. It was looking at accessing the GIC market to raise the funds required for growth.

Solution

- Mezzanine did a strategic assessment of the market. This gave the FI a better understanding of the competitive landscape and competing value propositions.
- Mezzanine conducted extensive secondary research using sources including OSFI, Bank of Canada, Statistics Canada, Investor Economics and other 3rd party research to understand the market opportunity and size
- Mezzanine did a deep analysis of a few key issuers to gain an understanding of their strategies.
- We put the results together and were able to identify the areas of opportunities for our client.

Result

- Mezzanine established that the opportunity for our client was in the broker / advisor space.
- We also validated that the aggressive funding needs that the client had had been achieved by other companies.