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FOURTH QUARTER AND ANNUAL RESULTS  
CONFERENCE CALL  
TIME: 09H30 EASTERN TIME  
REFERENCE: CNW  
LENGTH: APPROXIMATELY 36 MINUTES  
DATE: DECEMBER 4<sup>TH</sup>, 2008

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OPERATOR: Good morning ladies and gentlemen. Welcome to the Canadian Western Bank fourth quarter and annual results conference call. At this time all participants are in a listen-only mode. Following the presentation we will conduct a question and answer session with instructions provided at that time. If anyone has any difficulties hearing the conference, please press star, zero, for operator assistance. I would like to remind everyone that this conference call is being recorded today Thursday, December 4<sup>th</sup>, 2008 at 9.30 a.m. Eastern time.

I would now turn the conference over to Tracy Ball, Executive Vice President and Chief Financial Officer. Please go ahead.

TRACY BALL (Executive Vice President, Chief Financial Officer, Canadian Western Bank): Thank you Luke, and good morning everyone and welcome to our 2008 fourth quarter and annual results conference call for Canadian Western Bank.

Just before we begin I want to quickly note that the graphs, press release and supplemental are available on the Bank's website [cwbankgroup.com](http://cwbankgroup.com) in the investor relations section. I would also like to draw your attention to our forward-looking statement advisory on slide 10.

The agenda for today's call is on slide 2. Joining me for the presentation is Larry Pollock, President and Chief Executive Officer. Also

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in attendance are Executive Vice Presidents, Bill Addington, Chris Fowler, Randy Garvey, and Brian Young.

Our results were available last night and I hope everyone on the call has had a chance to look them over. We recognize there are other banks reporting today and in the interest of time, I will start by providing a brief summary of our fourth quarter and fiscal 2008 financial highlights. Then I'll turn things over to Larry to provide for an overview on outlook and strategy. We'll then open the lines for Q&A.

Turning to slide 3. The Bank recorded good quarterly results despite ongoing market volatility in a very uncertain global economic outlook. Very strong loan growth of 6 percent in the quarter and 16 percent for the year, marked our 19<sup>th</sup> consecutive year of double digit loan growth.

Our earnings for the year surpassed the 100 million milestone on record total revenues. Growth in both earnings and total revenues continue to be constrained by the significant impact of a compressed net interest margin. Clearly, spinoff effects from persistent disruptions in financial and credit markets dampened what otherwise would have been an exceptional financial performance for us this year.

The dollar level of gross impaired loans increased considerably over last quarter, but remained within the Bank's long-term historic range,

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measured against total loans. The increase in gross impaired loans in the real estate sector mainly reflects a handful of isolated interim construction accounts, which are typically our largest loans in dollar terms. These are not considered to be a result of any systemic industry issues. All current identified losses are reflected in the specific provisions for credit losses.

We did realize a \$3 million recovery in the fourth quarter on a loan previously written off, which further supports the benefits of our disciplined secured lending practices. As stated in prior periods, the Bank has no direct exposure to troubled asset-back commercial paper, CDOs, credit defaults swaps, US subprime lending or monoline insurers.

Earlier this week we were very pleased to close our previously announced acquisition of Adroit Invested Management Limited. And yesterday our Board of Directors declared a quarterly dividend of \$0.11 per share. This quarterly dividend is unchanged compared to the previous quarter, and is 10 percent higher than the dividend declared one year ago. Dividends in fiscal 2009 are expected to be in the range of 25 to 30 percent of earnings.

Moving to the next slide, fourth quarter net income of 24.5 million, or \$0.38 per diluted share, were both down 17 percent compared to the same quarter last year, which included an income tax benefit that increased net

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income in that period by 2.9 million, or \$0.04 per share. Before taxes, consolidated net income was 10 percent lower than a year ago, as the positive impact of very strong loan growth was more than offset by the compressed net interest margin, a 16 percent decline in other income and higher non-interest expenses. Compared to a year earlier, lower other income reflects the decline in net insurance revenues, coupled with earnings from unusually large trust transactions realized in the fourth quarter of 2007.

The fourth quarter net income from insurance operations of 2.2 million, declined 17 percent, compared to a year earlier, reflecting a negative 2.2 million change in Canadian Direct share of the Alberta Auto Risk Sharing Pools. In the current quarter, CDI share was a 1.1 million before tax loss, which compares to last year's 1.1 million before tax contribution.

Total revenues on a taxable equivalent basis of 74.1 million, were relatively unchanged from last year, despite the growth in loans, and reflects margin compression together with lower other income, due to the reasons already described.

Return on equity of 14.4 percent represented a 570 basis point decline from the same quarter last year, while return on assets was down

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33 basis points to 0.96 percent. Lower profitability ratios again reflect constrained revenue growth and a higher effective tax rate.

Net income was down seven percent compared to the previous quarter as the positive impact from very strong lending activity and a slightly improved net interest margin was more than offset by a 2.7 million decline in credit related fee income, and 800,000 reduction in net insurance revenues and higher non-interest expenses. Total revenues decreased three percent from last quarter.

Slide 6 shows annual results compared to our 2008 performance targets. While CWB surpassed its 2008 target for loan growth and met the target for provisions for credit losses, the impact from ongoing market compression resulted in a shortfall compared to all other 2008 targets.

Record net income of 102 million, was up six percent over the prior year, but below our 15 percent target. Diluted earnings per share of \$1.58 were up five percent over 2007. Record total revenues on a taxable equivalent basis of 298.9 million, were up nine percent, but fell short of our target of 17 percent, despite the strong 16 percent loan growth. Other income was up a solid 12 percent for the year.

The efficiency ratio of 45.2 percent was very close to our 45 percent target. Return on equity was 15.9 percent, 150 basis points lower than last

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year, and 110 basis points off of our target, while return on assets of 1.03 percent was seven basis points lower than our fiscal 2008 target.

I'll now turn things over to Larry who will provide comments and outlook on strategy, beginning on slide 7.

LARRY POLLOCK (President and Chief Executive Officer, Canadian Western Bank): Thanks Tracey. As evidenced by our fiscal 2009 performance target ranges, we expect ongoing market turmoil and a very uncertain global economic outlook will continue to have an impact on the Bank's revenue growth. The compressed net interest margin was clearly our main challenge in 2008 and we expect this will continue until we see a gradual decline in deposit costs and as liquidity builds in the markets.

Accordingly, revenues, earnings and profitability measures will continue to be negatively affected until market volatility, volatility subsides. We also expect further reductions in the prime lending interest rate in 2009, which will add further short-term pressures on net interest margin. It will also reduce the profitability of no cost and lower cost deposits.

We have implemented a strategy to ensure all new loans are priced within a grid that produces margins closer to historic levels. This strategy is working well. So we know our six percent loan growth in the fourth quarter is priced right for today's markets. The second part of our strategy

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is to re-price our existing portfolio as it renews. This process is already underway and will further support margins in the future.

Liquidity and funding have also been top of mind for all financial institutions, including the Bank. We hold CDIC licenses in both Canadian Western Bank and Canadian Western Trust and raise deposits under both brands in our branches. Our well developed agent deposit network raises roughly 33 to 36 percent of all deposits and these are predominately insured term retail. Our branch network combined with broker deposits produces a strong mix of stable retail funding.

The Bank continues to carry higher liquidity than our model requires and we will maintain this strategy until markets stabilize. We recognize this does not support our program to enhance margins, but it is consistent with our conservative risk tolerance and is prudent in today's markets.

While economic activity in our markets has slowed compared to prior periods, we expect economic conditions in Western Canada will hold up relatively well. New quality deal flow remains robust despite softness in certain sectors. Our increased market position, particularly aided by reduced competition in certain business lines, bodes well for continued portfolio growth. Paybacks and interim construction loans are expected to have a moderating effect on our loan growth compared to prior years.

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Reflecting these circumstances, our loan growth target for fiscal 2009 is 10 percent; still double digit, but more conservative than in the past few years.

We will maintain our strong fiscal responsibility by the effective execution of Canadian Western Bank's strategic focus on people, process, infrastructure and business enhancement that will require increased spending in some areas. These expenses will be direct, directed towards enhancements to the Bank's growth platform, including further expansion of the branch network. While this will have short-term consequences as it relates to the 2009 efficiency ratio, they are a key part of our commitment to maximize shareholder value over the longer term, and are expected to provide significant benefits in future periods. In late October the first branch in this expansion initiative opened in Leduc, Alberta. Our strength will allow us to improve market share in these uncertain times.

We expect overall credit quality will remain sound, despite the quarterly increase in gross impaired loans. Our loan portfolio is well structured and we believe our disciplined underwriting, secured lending practices and consistent provisioning over the past several years, will have us well positioned to manage through this credit cycle. The general allowance at year end represents 77 basis points of risk-weighted loans, and increased in the fourth quarter.

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As shown on slide 8, while non-performing loans are now in the one percent range of average loans, this is within normal historical levels. Ten loans represent about 60 percent of the gross number. They have specific provisions where required, and they all have a work-out plan. We do not see any systemic trends, as they appear to be the result of one-off issues. We're working hard to reduce these numbers for future quarters.

Lower interest rates support ongoing economic development, despite the recent fall in certain energy and commodity prices. This pullback in prices should also provide some much needed cost relief for both businesses and individuals in our markets. These circumstances, combined with relatively high employment in our markets, are non-conducive to an environment that produces high loan losses, but when strong credit discipline is maintained. Provisions for credit losses in fiscal 2009 are expected to fall within a range of 15 to 18 basis points of average loans.

Further development of trust insurance, wealth management and other complementary businesses remains an important strategy and supports the business enhancement pillar of our strategic plan. We still see significant untapped potential in all of our markets, especially as it

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relates to increased market share. As I mentioned earlier, further enhancing the Bank's stable retail deposit base also remains a priority.

Our excellent staff, growing market position and disciplined growth strategies have us well positioned for continued success, notwithstanding increased challenges and elevated uncertainties. This is still an exciting time for Canadian Western Bank and we look forward to extending our history of strong financial performance, which now stands at 82 consecutive profitable quarters, a period spanning more than 20 years.

I'll now turn things back to Tracey.

TRACEY BALL: Thanks Larry. Luke, it's time for the question and answer period.

OPERATOR: Perfect. Ladies and gentlemen, we will now conduct the question and answer session. If you do have a question, please press the star followed by the one on your touchtone phone. You will hear a tone acknowledging your request. Your questions will be polled in the order that they are received. Please ensure you lift the handset if you are using a speaker phone before pressing any keys. One moment please for your first question.

Your first question comes from Michael Goldberg with Desjardins Securities. Please go ahead.

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MICHAEL GOLDBERG: Good morning.

LARRY POLLOCK: Morning Michael.

MICHAEL GOLDBERG: I guess that you're being buffeted by the decline in preferred share values, among other things, at the same time as there's many issues of preferreds taking place. Have you had any conversations with AOCI about this and if so, could you give us some idea of what type of feedback you're getting on this conundrum?

TRACEY BALL: Michael its Tracey, yes it is, it is an issue we've raised with them. We haven't raised it formally yet, but we plan on doing that. I'm sure it's affecting a number of financial institutions and it seems to be a policy anomaly since there's an encouragement to raise preferred shares. And each successive issue requires a bigger concession, resulting in the market value of all prior issues to decrease. And as most of you will know that because preferred shares are considered an equity, we have to deduct the AOCI net of tax from our tier one capital, which versus the opposite effect of what should happen in a lot of senses (phon) if you're trying to preserve capital within the industry.

MICHAEL GOLDBERG: So have you had any feedback from them, you know, to the extent that you have raised the issue?

TRACEY BALL: I've been encouraged to raise it formally.

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MICHAEL GOLDBERG: Okay. And you know, so at the end of the quarter, given the loan growth that you've had, your tier one did fall below nine percent.

TRACEY BALL: Yes.

MICHAEL GOLDBERG: Is this, you know, acceptable, or do you have a plan to get it above nine percent, or is that a satisfactory level that you're comfortable with?

LARRY POLLOCK: We're still comfortable with it; we model of course our growth going forward, so we're reasonably comfortable with where we're at. You also have to focus on the quality of our tier one capital, which primarily is just common equity.

MICHAEL GOLDBERG: Right.

LARRY POLLOCK: So if you look at that number in isolation, you'll see that we're still quite high compared to our peers.

MICHAEL GOLDBERG: Okay just turning in another direction and then I'll re-queue if I have some other questions. Given the high level of formations during the quarter, was there a material cost in terms of forgone (phon) interest or interest reversals of the new non-performing loans? And you mentioned that there was a \$3 million cure, was there an interest recapture, and if so, how much were these amounts?

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LARRY POLLOCK: I can start and I don't know whether Chris has the exact numbers, but there weren't a lot of reversals. But of course when you're carrying non-performing loans, you're not taking revenue on them. However when we do finalize them, and you should start to see more loans become finalized. If you look historically Michael, you'll see that we didn't have any non-performing loans for three or four years, so there, and it does take time to work them through.

MICHAEL GOLDBERG: Right.

LARRY POLLOCK: So you'll start to see a more consistent pattern of some going out, some coming in, and all you've seen in the last while is, is loans going in. And the reason that they're just going in is because there wasn't any to go out.

MICHAEL GOLDBERG: Right.

LARRY POLLOCK: But maybe Chris has some more specific numbers on, on the...

CHRIS FOWLER (Senior Vice President, Credit Risk Management, Canadian Western Bank): Yes on the, in terms of the recapture we have on the loan, that goes directly back into our general allowance. So that doesn't affect our income statement. For the new loans coming on, there's no reversals that occur with that. It just, we don't accrue interest going

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forward. And we had 45 million of formations this last quarter, of which 34 million were real estate, five million was equipment and four million was retail. And the real estate loans was really dominated by one loan. None of the real estate loans have an allowance on them, and the loan-to-value ratios are all considered fairly reasonable. And we do have interested parties in some of these as well.

MICHAEL GOLDBERG: Don't you reverse accrued but unpaid interest?

TRACEY BALL: You discount the loans-to-present value and it goes to that extent there'll be a reduction. You don't reverse it anymore, no.

MICHAEL GOLDBERG: Okay. All right, thanks. I'll re-queue.

LARRY POLLOCK: Thank you.

OPERATOR: Your next question comes from John Aiken of Dundee Capital Markets. Please go ahead.

JOHN AIKEN: Good morning. Larry, I was wondering if you could talk to the, the acquisition of Adroit and whether or not you actually see any cross-selling opportunities with your current client base, or whether you think that you can attract some banking product from Adroit's current clients?

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LARRY POLLOCK: Not specifically those reasons. I think there are other business opportunities for us certainly. It's a business we've liked for quite some time. Its fee based, it doesn't require a lot of capital after the acquisition to grow it. And it's also a business where we thought putting our name behind an independent like this would add a lot of initiative and horsepower in developing the business. We just closed it this week, so we're in the very early stages of growing and developing this business.

There also is a trust opportunity there. We are not the trustee for, for Adroit, so that would be one certainly fairly material area where we can generate more income for the CWB group. That wasn't obvious when we made the acquisition.

JOHN AIKEN: That's great, thanks. And Tracey, in terms of the net interest margin in the quarter, can you give me some sense as to the slowdown in the retail deposit growth – what impact that actually had on interest margins in the quarter?

TRACEY BALL: Specifically, I might have to get back to you on that one John.

JOHN AIKEN: Okay, not a problem.

TRACEY BALL: Yes.

JOHN AIKEN: Great, thank you very much.

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OPERATOR: Your next question comes from Ian De Verteuil with BMO Capital Markets. Please go ahead.

IAN DE VERTEUIL: Thanks. The, so in the quarter you said the formations, the 35 million was almost entirely one loan. Can you talk to you know, of the six and a half billion of non-residential mortgage loans, can you talk to what proportion of that is CRE and how you think that book is performing, how much of it is at risk, you know, geographic differences across those things?

Larry POLLOCK: The non-CRE?

IAN DE VERTEUIL: Sorry no, just the commercial residential (phon), how big of that 6.6 billion loan book is commercial real estate?

LARRY POLLOCK: Well it is, well, a lot of it is residential, but we call it commercial because it's a multi-unit residential and it's in the construction side, so these would be high rise concrete condo projects. We would also have commercial in there, which would be shopping centres, warehousing, commercial buildings of various sorts. So it's quite a mix of different types of real estate. We call it commercial real estate because really we don't finance the individual condos in these cases. There are subdivisions in there.

IAN DE VERTEUIL: So how big is the condo book in here?

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LARRY POLLOCK: Do you know Chris?

CHRIS FOWLER: We can get back to you with that number; I didn't bring it exactly with me. Interim construction would be, is in the range of about 16 percent of the portfolio.

IAN DE VERTEUIL: 16 percent of the 6.6 billion?

CHRIS FOWLER: Of the total loan portfolio.

LARRY POLLOCK: Of the 8.6 billion.

IAN DE VERTEUIL: I'm sorry, eight point, okay. So the 8.7 billion, 16 percent, so 1.4 billion is interim construction for residential?

CHRIS FOWLER: Most of it.

LARRY POLLOCK: Mostly residential yes. There is certainly some commercial in there as well.

IAN DE VERTEUIL: And how much of that is Vancouver?

LARRY POLLOCK: Our Vancouver portfolio is around 700 million?

CHRIS FOWLER: Yes it would be about 50 percent.

IAN DE VERTEUIL: So half Vancouver and half would be Calgary, Edmonton?

CHRIS FOWLER: Right. And we do have some Toronto exposure with syndicated positions.

LARRY POLLOCK: Some Winnipeg exposure too.

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CHRIS FOWLER: Yes, a little of Winnipeg. We have no non-performing loans in greater Vancouver.

IAN DE VERTEUIL: And on the loans on the condo construction, can you talk about how you protect yourself against loss, in terms of you know, you required (phon) progress (phon) pay months you know, how much is presold – all those types of things?

LARRY POLLOCK: I can give you a high level and then Chris can pitch in and help out here. But you know the lending criteria would be normally 75 to 85 percent of cost on a project; would require presales to normally take the loan out. You would take deposits on the presales of you know, 10 to 20 percent, sometimes a little higher and sometimes a little lower, depending on the project. Those people tend not to walk with that kind of an investment involved.

IAN DE VERTEUIL: So 10 to 20 percent down?

LARRY POLLOCK: Yes, up front.

IAN DE VERTEUIL: Right.

LARRY POLLOCK: We hold the cash. So then your 85 percent of cost advance drops; if you had 20 percent, you're down to 65 percent of cost, or usually 50 percent of the appraised value, more or less.

IAN DE VERTEUIL: Right.

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LARRY POLLOCK: So you would have to see you know, barring unforeseen circumstances, you know, cost overruns and things like that, we would be in at about 50 percent of the sale value of those, of those condos. So you would have to see an enormous drop in values to...now you do run into circumstances where you know, developers run out of money or can't finish the project, and then you've got to move in and finish it off. You run into those sorts of circumstances. But those are one-off deals and not systemic in the marketplace.

IAN DE VERTEUIL: Is that what happened on this one loan in the quarter?

LARRY POLLOCK: It is one larger one – is a commercial loan.

IAN DE VERTEUIL: Right.

LARRY POLLOCK: And we don't feel – certainly at this time, that we're exposed to a loss, and it is very near completion and we are entertaining offers now to dispose of this property. And we have tenants, very high quality tenants, committed to move into it, so I'm not fussed about this loan. We are very good at working these through. And we may in fact recover our interest, who knows.

IAN DE VERTEUIL: Thanks.

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OPERATOR: Ladies and gentlemen, if there are any additional questions, please press the star followed by the one.

Your next question is a follow-up from Michael Goldberg of Desjardins Securities. Please go ahead.

MICHAEL GOLDBERG: Thanks. Let me just, following up on loan quality, do you want to comment on the condition of your watch list?

LARRY POLLOCK: We don't normally comment on the watch list because loans that go on the watch list are on there for various reasons. It could be just late financial reporting, or a ratio that is going the wrong direction, but for all kinds of different reasons, or the business is in an area that, you know, like forestry where we are a little suspect about the industry itself, and will put a loan on there just to keep an eye on it. We have, I guess, in a broad sense not seen deterioration of our, of our watch list in the last couple of quarters. But we don't like to give out specific numbers because of the subjectivity of how you put them on there.

MICHAEL GOLDBERG: So, but just looking at it in qualitative terms, you feel comfortable as you said, that you're not really seeing, seeing the watch list, seeing conditions deteriorate.

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LARRY POLLOCK: Not for, not for the last couple of quarters. You know I really hesitate Michael to say that a couple of quarters is a trend. I'd like to look at two or three or four more quarters.

MICHAEL GOLDBERG: Right.

LARRY POLLOCK: Where you start to see trends, but certainly nothing alarming at this point in time.

MICHAEL GOLDBERG: Are there any, you know, qualitatively, are there any particular trends that you can identify from the watch list?

LARRY POLLOCK: Just the ones that we have previously identified, which are forestry and oil and gas service sectors primarily. That's most of where the issues are and they tend to be equipment related loans, or loans that are specific to that industry. Examples, you know, at \$40, \$45 oil is there going to be the same level of drilling activity when oil is at \$100 – no. So we might take weaker accounts that are in that sector and put them on the watch list just to keep an eye on them. We look at, we look forward to see if they have contracted work, who is that work with, can they actually, you know, the counter party risk I guess if you like, is the, is the oil company that's contracting them able to raise capital and pay them. So we look right through and try to determine whether there's any risk on that basis. Those are two sectors that we'd identify.

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And certainly the real estate market is softer in, certainly in Alberta and that's not new news. That's, that started back in '07 and we saw a decline in, in pricing, but those declines were from the 40 percent increases and 35 percent increases in the Edmonton and Calgary markets respectively. So we're just coming off extremely high prices. And sales in this last month or so have slowed down and that could be seasonal, it could be, you know, the lack of expansion in the oil and gas sector. But I've been told by people in the oil sands as an example, that they are now able to get decent bids on some of the work. And costs are starting to decline and when you see that, you will start to see the work come back on stream, because the costs were one of the main reasons and lack of labour, the main reasons why a lot of these projects aren't going forward. It's simply the costs were escalating faster than the economics were, so. But I think we're, we're into a period of time now where there's more certainty at least in commodity prices.

We've seen very wide swings and now people will put their pencil to can we get this plant built, this upgrader or whatever built at, with the labour available in today's market, at today's construction costs. Costs of steel are way down. So, so some of the declines actually will foster future growth. And we've also seen the Alberta government come forward with a

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\$22 billion infrastructure budget, and they have the money to do it. So that will pick up a lot of slack.

MICHAEL GOLDBERG: Okay, just a couple of other things; could you give us some more colour on Optimum, including its entry into Ontario and what happened with Canada Direct Financial?

LARRY POLLOCK: Optimum, our entry into Ontario was, sort of describe it as sticking your toe in the water, as opposed to jumping into the deep end. We have a couple of strategic alliances in Ontario where we generate mortgages in very specific geographic areas. They have been very low volumes, I think, and are not a big part of our Optimum business. Certainly the business in Western Canada has slowed down, but the number of competitors for that business has also come down a lot. So as you probably well know, so we're able to look at very good quality deals, low ratio deals and kind of cherry-pick away.

So we have more mortgages in the foreclosure category and a lot of that is because the portfolio has grown so much. And the other reason is, in Western Canada, primarily Alberta and British Columbia, a foreclosure takes – usually up to a year to get the people out, where in Ontario and some of the other markets you can move them through very quickly. But we're really not seeing any specific reserves of any material amount, just

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small amounts, and we're very well reserved against that book of portfolio and our experience over the last number years has been very, very low losses.

MICHAEL GOLDBERG: Okay. And Canada Direct Financial?

LARRY POLLOCK: That's a company that holds our mutual funds, or oh, sorry, Randy's going to answer that one.

RANDY GARVEY (Senior Vice President, Corporate Support, Canadian Western Bank): Canadian Direct Financial, we soft launched that division at the start of October. We have been very restrictive in where we and how we've advertised. And the purpose for that was to, one, prove our infrastructure, prove that the technology we had worked, prove that the call centre we set up was effective. We're very comfortable with how that proved out, and we will probably get more aggressive in rolling it out starting in the New Year.

MICHAEL GOLDBERG: What does soft launch mean?

RANDY GARVEY: Well to give you an example, we did not hook up to any of the search engines, so if someone wanted to find internet bank, you couldn't have found it on one of the typical search engines. We sent specific advertising to a targeted group of clients. We did an advertising campaign in one small northern community here in Alberta, just to see the

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response that we would get. So again, just very, very restrictive in who we have let know actually that this product is in existence.

MICHAEL GOLDBERG: Thanks a lot.

OPERATOR: Ladies and gentlemen, if there are any additional questions, please press the star followed by the one.

Ms. Ball, there are no further questions at this time. Please continue.

TRACEY BALL: Is there may be one more? Okay, well thank you Luke and thank you very much everyone for your continued interest in Canadian Western Bank. I hope the condensed format was acceptable. We look forward to reporting our 2009 first quarter results on March 5<sup>th</sup>. Please call us if you have any follow-up questions. Thank you. Good day and best of the season.

OPERATOR: Ladies and gentlemen, this concludes the conference call for today. Thank you for your participation. You may now disconnect your lines.

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