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FINANCIAL RESULTS CONFERENCE CALL  
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OPERATOR: Good evening. My name is Christie and I'll be your conference operator today. At this time I would like to welcome everyone to the fourth quarter 2009 annual results conference call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. If you would like to ask a question during this time, simply press \*, then the number 1 on your telephone keypad. If you would like to withdraw your question, please press the # key. Thank you.

Ms. Ball, Executive Vice-President and Chief Financial Officer, you may begin your conference.

TRACEY BALL (Executive Vice-President and Chief Financial Officer, Canadian Western Bank): Thank you, Christie, and it probably seems like evening to everybody, but it's actually good afternoon and welcome to our 2009 fourth quarter and annual results conference call for Canadian Western Bank.

Before we begin, please note that the conference call graphs, quarterly results, press release, and supplemental financial information are available on the Bank's website at [cwbankgroup.com](http://cwbankgroup.com) in the Investor Relations section. The conference call graphs are under Webcast Events

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in the same section. We also expect our 2010 annual report and audited financial statements will be available on SEDAR in the middle of this month. I draw your attention to the forward-looking advisory on slide 8.

The agenda for today's call is on slide 2, and joining me is Larry Pollock, President and Chief Executive Officer. Also in attendance, our Executive Vice-President, Bill Addington; Chris Fowler; Randy Garvey; and Brian Young.

Our results were available last night, and we are aware of how busy everyone is today with the number of other banks reporting. The intent is to keep our discussion very brief and leave as much time as necessary for Q&A. I will start by providing a brief summary of our fourth quarter and annual financial highlights, and then turn things over to Larry.

Moving to slide 3, the Bank recorded record net income and total revenues for both the fourth quarter and fiscal 2009. We're proud of these results given the economic challenges of 2009.

The net income for the fourth quarter of 30.4 million represented a 24-per-cent increase over the fourth quarter last year, while revenues increased 22 per cent to reach 90.1 million. Diluted earnings per share were \$0.39, up from \$0.38 last year and include the impact of the dividends paid on preferred shares and the dilution from the warrants from

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the preferred share units issued in March 2009. Dilution of \$0.03 per share in the fourth quarter was entirely attributable to the warrants because of our higher average share price.

Our fourth quarter results reflect the positive impact of loan growth, a much-improved net interest margin of 2.34 per cent, and very strong other income, which included 4.1 million of securities gains. It's interesting to note that these results mark the first year-over-year improvement in our quarterly net interest margin since the third quarter of 2007.

Based on what we see today, we believe this positive trend will continue and that our margins will move closer to our 10-year average of approximately 2.5 per cent as we progress towards the end of 2010.

Annual net income was a record \$106.3 million, up 4 per cent, while diluted earnings per common share decreased 7 per cent to \$1.47. Again, the decrease in diluted earnings per share compared to last year reflects the impact from the preferred units already mentioned. We are very well capitalized at year-end with a tier-one ratio of 11.3 per cent and a total capital ratio of 15.4 per cent.

Looking at slide 4, loans were 1 per cent in the quarter and 7 per cent for the year. Moderated lending activity was consistent with a challenging economic environment but also reflects ongoing uncertainty

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regarding both the timing and strength of an economic recovery. Loan growth was further constrained by expected and unexpected paybacks on existing lending accounts, particularly in our real estate, construction, and equipment financing portfolios.

Credit quality also remained within expectations in the context of the current operating environment. While we had a significant increase in the dollared level of impaired loan, the net 34 million increase compared to last quarter was almost entirely attributed to two accounts.

Our secured lending practices continue to result in a lower loss given default compared to the industry, and we believe this is further confirmed by our relatively positive credit performance in 2009.

Yesterday our board of directors declared both quarterly cash dividend of \$0.11 per common share and the quarterly cash dividend on our Series 3 preferred shares.

Slide 5 shows actual results compared to our fiscal 2009 performance target ranges. We achieved four out of the seven targets. We are pleased with these results as unprecedented market conditions and a recessionary environment impacted our performance much more than we anticipated when these ranges were established last year. Also related to

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the financial crisis and not contemplating at the outset of the year was the issuance of the preferred units in March 2009.

Growth in total revenues of 10 per cent exceeded our target range as asset growth and very strong other income helped offset the significant impact from margin compression. Gains on securities significantly augmented results and added over \$25 million to total revenues for the year, representing 28 per cent of total other income.

The annual net interest margin of 2.10 per cent was down 20 basis points compared to 2008 and down 48 basis points compared to 2007. To illustrate the magnitude of this based on the Bank's financial position at yearend, a one-basis point increase in a net interest margin would approximately represent a 1.1 million increase in annual revenue, all else being equal. Net income growth, the provision for credit losses, and the efficiency ratio were all within their respective ranges.

Despite an encouraging pipeline for new loans, we did not meet our 10-per-cent loan growth target. Both return on common equity and return on assets were also below the respective targets and include the additional impact from the preferred shares.

I'll now turn things over to Larry who will provide comments on outlook and strategy beginning on slide 5.

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LARRY POLLOCK (President and Chief Executive Officer, Canadian Western Bank): Thanks, Tracey.

This slide shows our minimum performance targets for 2010. Overall we're expecting improved market conditions and a more positive economic outlook compared to 2009. Despite continued uncertainty regarding both the timing and strength of an economic recovery, we also believe Western Canada's positioned to materially benefit once we see a confirmed turnaround in major global economies.

As evidenced by our 10-per-cent loan growth target, we believe we can return to double-digit loan growth in 2010. There are still high-quality lending opportunities in our markets and we are encouraged by the current pipeline for new deals. Continued repayments against the existing portfolio continue to restrain growth, particularly in our real estate project and equipment financing portfolios. We will remain focused on expanding the Bank's market presence and increasing market share wherever it makes sense. One thing we will not do is compromise our underwriting criteria to temporarily inflate loan growth by taking on more risk.

Credit quality remains within expectations, but we believe we will face challenges before we emerge from this downturn. While there are positive signs across a number of key lending areas, including real estate

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and general commercial lending, our outlook for other areas is more uncertain, particularly the natural gas industry in Alberta. We plan to continue our long-standing strategy for managing the allowance for credit losses, which includes maintaining consistent provisioning for both identified and unidentified losses in the portfolio. One purpose of the general allowance is to mitigate the timing impact of unidentified losses, and we expect the general allowance will fluctuate accordingly.

Based on what we see today, we expect our provision for credit losses will be in the range of 15 to 20 basis points, similar to our target range for 2009. As Tracey mentioned, we have a positive outlook for net interest margin, and this will have a favourable impact on total revenues. There will likely be continued opportunities to realize gains on securities, but we do not expect they are sustainable at the unusually high levels we achieved in 2009. Our minimum growth targets for total revenues is 12 per cent.

The minimum target for net income growth is also 12 per cent. Our expectation for comparable percentage growth in net income and total revenues reflects the impact of our strategic plan that is focused on adding value for shareholders over the long term. Initiatives to further build our infrastructure, technology, and systems along with plans for increased staff

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are necessary to support future growth. A few major investments for the immediate future include the introduction of a loan origination system and a new integrated general ledger and budget system. We also plan to open two new full-service branches near the end of 2010.

Spending that does not support the Bank's future growth and other strategic initiatives will continue to be monitored and contained. Our target for the efficiency ratio is 48 per cent or better reflecting our expectations for a modest improvement compared to 2009. The return on common equity and return on assets will benefit from improved margins but also include the full-year impact from dividends on preferred shares.

Slide 7. The next slide highlights our main strategic priorities for 2010. The Bank's capital ratios remained above our target thresholds and one of our key goals is to leverage this strong position for the benefit of our shareholders. When you come through a difficult market, the weakest fail first, and those aren't the assets you want to acquire. As time goes on, even as the economy starts to improve, we expect to see some good opportunities that could add real value for our shareholders. Those are the ones we're looking for and we're positioned to move on them if they meet our criteria of being both strategic and accretive.

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Within the Bank, our objective is to grow across all of our lending areas with an increased focus on further building our equipment financing and residential mortgage portfolios, including optimum mortgage. We will also continue to develop our deposit base with a focus on diversification and increasing our lower cost retail deposits.

We're very optimistic about the potential of our subsidiaries. Canadian Western Trust showed great performance this past year and is gaining some real momentum. Valiant Trust also shows good potential despite a difficult year in 2009. Both of our trust businesses now have offices in Toronto and there are plenty of opportunities to increase our presence in that market.

Canadian Direct Insurance just came off a record year and we expect solid growth in this business as well. We are exceptionally efficient at underwriting insurance and we'll continue to concentrate on expanding our distribution capabilities. Our acquisition of Adroit is a good complement to our existing businesses and we will look to increase our presence in wealth management services moving forward.

To emerge from 2009 with record net income is very satisfying and we will have a much more positive, albeit cautious outlook going into 2010. Notwithstanding our expectations for continued challenges and

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uncertainties, we look forward to extending our history of strong financial performance.

I'll now turn things back to Tracey.

TRACEY BALL: Yes, thank you, Larry. And that concludes our formal presentation for today's call. At this time I'll ask Christie to begin the question-and-answer period.

OPERATOR: At this time I would like to remind everyone in order to ask a question, please press, \* then the number 1 on your telephone keypad. Our first question comes from Gabriel Dechaîne from Genuity. Your line is now open.

GABRIEL DECHAÎNE: Good afternoon. First question is on the credit side of things, and specifically the spike in impaired loans, and I guess you highlight these two large impaired loans. Can you talk about the nature? It looks like there's a commercial loan and maybe a real estate project loan in there. And on both could you give us a bit more context around the situation and what the security is there on these particular loans?

LARRY POLLOCK: Yes. Gabriel, we're going to have Chris Fowler answer that one.

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CHRIS FOWLER (Senior Vice-President of Credit Risk, Canadian Western Bank): Hi, Gabriel. Yes, just overall on the impaired loans, we had a net increase of 13. But we were able to finalize 69 accounts in the quarter, so about \$35 million in finalized loans.

So on the net basis it's really the composition of the impaireds that have caused the increase. And the two largest we do refer to are one is a real estate loan, and it's an interim construction loan that we're going to work our way through. And so it's fully secured by the real estate behind it. The other one is a commercial loan, and it's also secured, and we're working through the process of resolution of that loan.

GABRIEL DECHAÎNE: Okay. I appreciate that you can't give us that much detail on some of these situations, but for the commercial loan, because that one we haven't seen many of these impairments before. What kind of... is this a line of credit and you've got a security, a general security agreement or something like that?

CHRIS FOWLER: Yes. It's a loan that's in our syndicated loan portfolio, and we have a general security agreement over the assets of the company.

GABRIEL DECHAÎNE: Okay. Something just a little bit I guess is the... well, it didn't jump out at me, but the range for PCL's forecast, or a

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target in 2010, it's bumped up at the higher end, the 20 basis points from 18. Any particular reason for that? You're just being more conservative or is this a revised assessment of your exposures?

LARRY POLLOCK: Well, it's just a little wider range. The lower end of the range is the same.

GABRIEL DECHAÎNE: Hmm-mmm.

LARRY POLLOCK: So it's just two basis points.

GABRIEL DECHAÎNE: Right.

LARRY POLLOCK: It's not really that material, Gabriel.

GABRIEL DECHAÎNE: Okay. Moving towards the margin, expanding nicely there, can you quantify maybe the impact of pre-payments and then is that something we should expect... I guess is that baked into your outlook here in terms of moving back to the 2.5 per cent or is pre-payment activity just a bit of a blip in this quarter?

TRACEY BALL: Gabriel, it's Tracey. We didn't bake anything into what we expect our outlook to be in terms of pre-payment.

GABRIEL DECHAÎNE: Hmm-mmm.

TRACEY BALL: The biggest impacts for the fourth quarter were deposit costs coming down and the yield on loans coming up on the fixed rate portfolios. I don't actually have the pre-payments specifically broken

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out, but I can get back to you on that. We do have them all the time, so I can just get back to you on that one.

GABRIEL DECHAÎNE: Okay. That'd be great.

TRACEY BALL: Actually, it was about 4 basis points, including interest on impaireds. It's a combination of loan fees, which would include pre-payments plus amortized fees.

GABRIEL DECHAÎNE: Okay.

TRACEY BALL: Can't tell you exactly how much.

GABRIEL DECHAÎNE: Okay. Lastly here, I'll move on. The excess capital, and it seems like you're taking a more aggressive tone in terms of deploying that. It sounds like the early opportunities may not have met your criteria for quality, so you're maybe seeing some more attractive assets down the line here that may become available. Is that correct?

And also what's the flexibility I guess in light of some revised capital standards coming down from OSFI, and how flexible will you be in terms of being able to deploy that capital? I know you've got a pretty high-tier one ratio, but the new minimums might be quite a bit higher.

LARRY POLLOCK: Yes, they probably will be higher, and I don't think any of the banks have moved on their capital position, and I don't believe any of them increased their dividends this reporting period. Not that

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I'm aware of anyway. So I think they'll just kind of sit on their hands until we know with more certainty what the new capital standards are going to be. And we think that will be in the next one or two quarters for sure.

As far as deploying the capital, we are always on the lookout for good opportunities, and there are opportunities out there. And you will be the first to know when one of them comes together.

GABRIEL DECHAÎNE: Okay.

LARRY POLLOCK: You and the world.

GABRIEL DECHAÎNE: I hear you. Okay. Thanks. I'll re-queue.

OPERATOR: Your next question comes from John Reucassel from BMO Capital Markets. Your line is now open.

JOHN REUCASSEL: Thank you. Larry, I just wanted to be clear. You said net income growth, minimum target of 12 per cent. Is that EPS growth too or is that really net income before prefs, that's what you're targeting?

LARRY POLLOCK: That's the net income growth.

TRACEY BALL: Yes, that would be before prefs, John.

LARRY POLLOCK: Yes.

JOHN REUCASSEL: Do you want to... so can you translate that for us on an EPS number?

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LARRY POLLOCK: Yes. I think Tracey has that number.

TRACEY BALL: I think it's about 3 per cent. But it depends, right, because the dilution depends on the share price.

JOHN REUCASSEL: So is it 3 per cent off the \$1.47?

TRACEY BALL: Yes.

JOHN REUCASSEL: Okay.

TRACEY BALL: But then that's based on a \$25 share price, so you'd have to do some sensitivity there on how you think it's going to work.

LARRY POLLOCK: Exactly.

JOHN REUCASSEL: Okay.

LARRY POLLOCK: Where the share price is today, it'd be less dilution than that.

JOHN REUCASSEL: Yes. Okay. I'll work through that. And in case I missed it and I apologize if I did, the higher net interest margins you're expecting next year, I just want to be clear, is that expected because of the higher pricing on the assets? Where is that coming from?

LARRY POLLOCK: No. It's really a lower cost on the liabilities, on the deposits.

JOHN REUCASSEL: Okay.

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LARRY POLLOCK: One year ago a one-year deposit was costing more or less 4 per cent, and today it's more or less 1 per cent, 1 ¼ per cent. So a dramatic drop in the cost of funds, and I just use that as one example. But as you roll these deposits off, you're not re-pricing your assets at the same time.

JOHN REUCASSEL: Yes, and so what percentage of your deposits would be these I guess 3 or 4 per cent deposits?

LARRY POLLOCK: It depends on what timeframe you're talking about, but I would say over a four-month period – October, November, December, January – it's about \$1 billion.

JOHN REUCASSEL: Okay.

LARRY POLLOCK: Not all one year, but of higher cost deposits that will roll off. We were extremely active in building liquidity over that same four-month period last year.

JOHN REUCASSEL: That's great. Thank you very much.

OPERATOR: Your next question comes from Michael Goldberg from Desjardins Securities. Your line is now open.

MICHAEL GOLDBERG: My question is about the non-performing loans in the quarter. With about \$70 million of gross formations during the quarter, could you give us your thinking about how you see the formations

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going forward, both in terms of the new loans potentially coming in given the pipeline, if you want to call it that, or the arrearages that you can see, but also the resolutions and the timing, particularly the larger loans that were classified in the fourth quarter?

LARRY POLLOCK: Yes, I'll take a run at it and certainly invite my colleagues here to chip in. But I'll give you my four-decade experience and four-recession experience is that when you go into them, what you experience are formations going in, but nothing coming out. You go into the second phase, you start to see almost as much going in as coming out, and when you start to come out of your recession, you will still see a lot of companies going in and forming new non-performings because they had some sustainability through the early stages of a recession but couldn't hang on to the end. And I think we're getting more into that latter section, Mike.

MICHAEL GOLDBERG: Yes. Hello?

LARRY POLLOCK: Yes.

MICHAEL GOLDBERG: Yes.

LARRY POLLOCK: Was there one other question? If there was, I forgot what it was.

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MICHAEL GOLDBERG: So you figure that if I can interrupt what you're saying, you figure we're toward the back end of the cycle that you've talked about where there's the folks that have been hanging on by their fingernails until now and are starting to lose their grip. And the next phase I guess is where you get more resolutions with far fewer new loans getting classified?

LARRY POLLOCK: Yes. We're not in that last one that you just described yet; in my sense, anyway. We're in that middle section where you've got almost as many coming in as out. And Chris had the exact numbers of what came in and what went out. Sixty some loans went in?

CHRIS FOWLER: Yes. We added about 66 loans and we finalized about 69.

LARRY POLLOCK: So it's almost matching right now. And what you don't know though are that sometimes you're resolving larger ones than the ones that are coming in, and sometimes it's the reverse. This quarter it just happened to be there was a couple of larger ones that skewed those numbers up a little bit. But we did say last quarter to expect fluctuations in that gross NPL number.

MICHAEL GOLDBERG: But just in terms of those larger loans and not expecting to tell us more detail about them, but just in terms of what

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you can see for the timing of how long it may take for those two loans to get resolved, what could you tell us?

CHRIS FOWLER: Well, typically we talked about these real estate project loans in the past when they get impaired, it can take some time to work through. And often it can take, once you get in the court system and you start foreclosure, it can take... probably it could take up to three or four quarters to resolve it. And the commercial loans could occur more quickly or less quickly. It depends on how it ends up being resolved. If it's a receivership or CCWA or an asset disposition, something like that to resolve the loan. So it's hard to predict exactly how the timeframe would work on a commercial loan. But as we have mentioned in the past, the real estate loans, they can take some time to get resolved.

MICHAEL GOLDBERG: Okay. Thank you.

OPERATOR: Your next question is from Sumit Malhotra from Macquarie Capital. Your line is now open.

SUMIT MALHOTRA: Good afternoon.

LARRY POLLOCK: Hi.

SUMIT MALHOTRA: Starting with the capital position, I'm not sure if this is possible, if you could just remind me how the terms work. Have you given any thought to perhaps using some of the excess capital position

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when you have some clarity on where regulations are going to perhaps buying back the preferred shares?

LARRY POLLOCK: We have thought about it, and our understanding is that most of the industry is waiting, Sumit, until we get some clear direction from OSFI as to what the guidelines are going to be for capital. And then I think you'll see not only us but others move to restructure some of their... certainly tier-one capital. And yes, that's top of mind for us. We have, as you know, many options there. I mean, we can even buy warrants back and reduce dilution there. We can buy common back. We can tackle that project many different ways. But right now, that hasn't been determined and won't be determined until we find out exactly what the guidance is going to be from our regulator.

SUMIT MALHOTRA: On the net interest margin, which obviously was the positive highlight of the quarter, all else equal, Bank of Canada decides to stay on hold for all of 2010, you don't experience the abrupt increase in funding costs that we saw in the back half of 2008; do you feel in that environment from 2.34 per cent today, would you be able to get to the 2.5 per cent by the end of 2010 just through loan re-pricing, which admittedly you're saying has largely run its course, and more importantly

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deposit refinancing? Could you get to 2.5 without an increase in short-term interest rates?

LARRY POLLOCK: I think you could. We've actually been running some graphs on this whole scenario, and one graph that we've run that I really like is one that compares a three-year Government of Canada bond to a three-year GIC, and historically it'd run about 50 basis points. The GIC ran around 50 basis points over Government of Canada three year, and then it spiked to about 250. And it's come right back down to something under 100 points now and close to 50. And it should settle right back into where it was before this calamity started. So with that happening, the opposite end of that graph just builds the margin up. And so to answer your question quickly I think 250 is realistic. It could be a little more, it could be a little bit less. But certainly it's in our grasp now.

SUMIT MALHOTRA: So last question, Larry, and you're always candid with us, so we'll give it another shot. If we're back here a year from now, we're looking at the targets of a minimum 10-per-cent loan growth, net interest margin sounds like it can get to 2.5, you return to positive operating leverage this quarter, and obviously NIM has had a large part to play in the Bank being negative for the last few. So everything on that side of it looks like it's in the right direction. We'll see about the loan growth.

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We'll see about the credit. Do you think when we're back here a year from now in that period of time the dividend will have increased from \$0.11 a share?

LARRY POLLOCK: I would hope so, being a large shareholder. I would hope so, absolutely.

SUMIT MALHOTRA: Candid as ever.

LARRY POLLOCK: Well, I think, you know, we want to make sure that the margin comes back nicely and is sustainable. And as we saw with Dubai here, I mean you can shock the market with a real slide in bond yields when that announcement came out. They've somewhat come back up again, but we just don't want to move too quickly and then have to change our course. So our target range is still 25, 30 per cent payout ratio, like we're in that range now, and we just want to see where this NIM is going to go, and we'll adjust the dividends accordingly.

SUMIT MALHOTRA: I think that's the right approach. Thanks for your time.

OPERATOR: Your next question is from Norman Hemlich(ph) from Dundee Securities. Your line is now open.

NORMAN HEMLICH: Good afternoon. We've seen a resurgence in terms of the housing market in British Columbia, Toronto, etc., and

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probably some improvement in Alberta. How significant is that for you and how significant is the loans to the natural gas industry?

LARRY POLLOCK: Probably two different questions there, Norman. The housing, the Edmonton numbers actually were published this morning. Edmonton's up 41 per cent year over year in resales on multiple listings. So that's very positive. The inventory is down to I think it was... I'm going from memory, but a 3-month supply, 3 to 4-month supply. I think a year ago we were probably at a year's supply of listings.

So that's very positive, and I was talking to a developer today who advised me the new housing starts in our region here were going to be up in 2010. There's plans to start building again. Calgary has improved, and certainly Vancouver is hot. I don't know whether that's sustainable there, but certainly very positive trends in our three largest markets out here.

NORMAN HEMLICH: So was that type of improvement in your profit projections for 2010?

LARRY POLLOCK: Not to that extent. We're not really big in the housing market, but we do a lot of construction lending to developers. So as they build and sell, as they sell their inventory off, they will be back building again, and we expect to see a ramp up in new applications.

NORMAN HEMLICH: Uh-huh.

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LARRY POLLOCK: Your other question was on the natural gas business. We don't see frankly any improvement there in the foreseeable future. We have adjusted our credit granting to reflect that and we have been working with our clients that are in that business to downsize and make sure that their businesses are sustainable.

NORMAN HEMLICH: How significant a portion of your loan book is that area?

CHRIS FOWLER: It's 3 per cent of our loan book is oil and gas service.

NORMAN HEMLICH: Oh, so it's not that significant.

LARRY POLLOCK: No, and that would include the oil part as well.

CHRIS FOWLER: Yes, oil and gas.

NORMAN HEMLICH: Uh-huh.

CHRIS FOWLER: On the service side. Yes.

NORMAN HEMLICH: Uh-huh. Okay. So if something can go wrong, what can go wrong, that hasn't already gone wrong?

LARRY POLLOCK: Well, I think a retrenchment back into a recessionary direction for the economy, general economy; or a backward slide in commodity prices would certainly affect us here because that's what we do is produce commodities for the world.

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NORMAN HEMLICH: Hmm-mmm.

LARRY POLLOCK: Right from agriculture, forestry, oil, whatever.

NORMAN HEMLICH: Okay. One last question on that. Recently...

LARRY POLLOCK: Oh, you cut out.

TRACEY BALL: Hello?

LARRY POLLOCK: Is anybody there? We lost the call?

UNIDENTIFIED MALE SPEAKER: Operator?

OPERATOR: Yes, I'm here.

LARRY POLLOCK: Okay. We seem to have lost our...

NORMAN HEMLICH: I can hear you.

LARRY POLLOCK: Oh, we couldn't hear you for a minute there.  
Could you repeat the question?

NORMAN HEMLICH: Yes. Okay. Recently China changed their policy with regard to wood frame housing. And it's supposed to create potential for a dramatic increase potentially in lumber sales for Canada. How significant would that... how much of a help would that be if we had a big improvement in the lumber sales out of say British Columbia?

LARRY POLLOCK: Well, a big improvement there would really certainly ramp up our heavy equipment financing division, because a good portion of that was forestry historically. So yes, I mean if it happens, that

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would be wonderful. We haven't baked that into any of our projections though.

NORMAN HEMLICH: Okay. But you are aware of this change in the China policy?

LARRY POLLOCK: No, we weren't aware till you mentioned it.

NORMAN HEMLICH: Okay, because they reaffirmed that policy I think earlier this week.

LARRY POLLOCK: That's great news.

NORMAN HEMLICH: Uh-huh. Okay. So in other words, you know, unless things sort of go to pot again, things can only be looking better rather than worse, is that it?

LARRY POLLOCK: That's our sense right now, yes.

NORMAN HEMLICH: Uh-huh. Okay. Thank you very much.

LARRY POLLOCK: Thank you.

NORMAN HEMLICH: Keep up the good work.

LARRY POLLOCK: Thank you.

OPERATOR: You have no further questions at this time.

TRACEY BALL: Okay. Thank you. Thank you very much, Christie, and thank you, everyone, for your continued interest in Canadian Western Bank.

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We are going to make a conscious effort next year to avoid reporting our results among the logjam of the other banks. We will look forward to reporting our first quarter 2010 results on March 4th. And as usual, if you have any follow-up questions or comments, please call us or contact us by email. Thank you and best of the season.

OPERATOR: This concludes today's conference call. You may now disconnect.

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