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OPERATOR: Good afternoon, my name is Krista and I'll be your conference operator today. At this time I would like to welcome everyone to the Canadian Western Bank Second Quarter 2011 Financial 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 star, then the number one on your telephone keypad. If you would like to withdraw your question, please press the pound key. Thank you.

I would now like to turn the call over to Tracey Ball, Chief Financial Officer. We begin the conference.

TRACEY BALL (Executive Vice President and Chief Financial Officer, Canadian Western Bank): Okay, thank you, Krista. And good afternoon and welcome everyone to our 2011 Second Quarter Results Conference Call for Canadian Western Bank.

Before we begin, please note that the conference call graphs, quarterly results news release and supplemental financial information are available on the bank's website, that's cwbankgroup.com in the investor relation section. I'd also like to draw your attention to our forward-looking statement advisor on slide nine before we start the call.

The agenda for today's call is on slide two. Joining me today is Larry Pollock, President and Chief Executive Officer and also in attendance are Executive Vice Presidents, Chris Fowler and Randy Garvey.

I will begin today's call by providing a very brief summary of our second quarter and air today's financial highlights as well as some details surrounding our expected position relative to the forthcoming Basel III capital rule. And then I'll turn things over to Larry for an overview of our outlook and strategy.

Our results were released early this morning and we will only provide a high-level summary. As in prior quarters, we intended to leave as much time constraint for Q&A at the end of the call.

Going to slide three, the bank report is strong in second quarter performance marking our 92nd consecutive profitable quarter, a period spanning 23 years. Net income of 44.4 million was up 17 percent over the second quarter last year while total revenues on the taxable equivalent basis increased 10 percent to reach 121.8 million. Gross and total revenues reflected a 16 percent increase in net interest income to 93.3 million which more than offset 2.3 million lower other income. Their year-over-year improvement in that interest income was driven by a strong loan growth of 3 ¼ percent, 7 percent year-to-date and 14 percent over the past 12 months.

The second quarter net interest margin of 2.87 percent represented an 11 basis point improvement over the same period last year and was relatively unchanged from the previous quarter. And due to increased competition and other factors, we believe further meaningful improvement for the margin are unlikely.

The second quarter diluted earnings per common share increased 13 percent to reach $0.53 and includes the year-to-date impact of 7.2 million common shares issued since December 2010 upon the exercise of warrant.

While the exercise of warrant negatively impacts reported earnings per share on a diluted basis, related proceeds have added over 100 million to our already strong-based potential common equity. The warrants exercised this year combined with the 2.5 million warrants purchased and cancelled to date through the bank's normal course issuer bid leaves only about 5.3 million warrants left outstanding of the 50 million issued in 2009 as part of our per share unit.

Compared to the prior quarter, net income increased 1 percent as the positive contributions from loan growth, increased investment income, and a lower provision for credit losses offset the impact of three fewer revenue earning days. Diluted earnings per common share decreased $0.01 reflecting common shares issued on the exercise warrant.

Our capital ratios at April 30th under the existing Basil II standards were very strong, but the tangible common equity and a risk-weighted assets ratio of 9.2 percent, a Tier 1 ratio of 11.8 percent, and a total capital ratio of 16.6 percent.

We have completed our initial assessment of how the bank will be impacted by the forthcoming Basil III capital rule which confirmed our previous view that the bank is already in compliance with the new capital framework.

We were very pleased with the successful placement of 250 million of senior deposit notes in the quarter which represented our first issue of floating rate net in the capital market. The offering was very well received by investors and our ongoing ability to access the sufficient sort of funds further diversifies our deposit base and will help support the bank's continued growth and development.

Common loans surpassed the 11 billion milestone this quarter with all lending sectors showing positive growth, the largest dollar contribution for real estate lending, general commercial lending, and personal loans and mortgages. Oil and gas production loans showed the strongest quarterly growth measured in percentage terms. Looking forward we are optimistic about increased lending opportunities in the Bank's heavy equipment financing business.

Turning to slide four, our overall credit quality continue to show signs of improvement reflecting the positive economic outlook in our key markets. While gross impaired loans still remain on the bank's historical levels due to the post-recessionary environment, this is the fourth consecutive quarter of reductions from the peak level reached a year earlier.

Yesterday, our Board of Directors declared a quarterly cash dividend of $0.14 per common share. This dividend represents an 8 percent increase over the previous quarter and is 27 percent higher than the quarterly dividends declared one year ago. The dividend reflects our positive outlook and strong year-to-date performance and also brings us closer to our target payout ratio of 25 to 30 percent of net income available to common shareholders.

While we plan to keep our target payout ratio relatively low to support CWB's online growth, shareholders should expect further dividend increases in the normal course as we continue to grow earnings and meet our performance targets. The quarterly cash dividend on our Series 3 Preferred Share was also declared.

Slide five shows year-to-date results compared to our fiscal 2011 minimum performance targets. As shown, our strong performance for the first six months has the position to meet or surpass all of our 2011 minimum performance targets.

Year-to-date net income of 88.4 million was up 13 percent over last year compared to our target of 6 percent. Year-to-date diluted earnings per common share were up 8 percent to $1.07. We expect lower year-over-year net income growth for the last two quarters of the year as the third quarter last year included a benefit of a significant income tax recovery.

Total revenues were up 15 percent year-to-date compared to our target of 12 percent. Loan growth has been more robust than expected and we are very well positioned to meet or surpass this target.

The provision for credit losses measured against average loans of 21 basis points within our target range. And based on our current view of credit quality, we expect the provision loan rate to remain at the lower end of the target range for the remainder of the year.

We expect a pay ratio of 45.4 percent compared to our target of 46 percent or less. Year-to-date return on common shareholder's equity of 16.3 percent and the return on assets of 1.24 percent also had us well-positioned to surpass our minimum targets of 15 percent and 1.2 percent respectively.

Looking forward, we expect our earnings will continue to benefit from the positive impact of strong loan growth, a relatively stable net interest margin, and the ongoing development of all business lines. We maintain our belief that Western Canada's economic environment will remain favorable relative to the rest of Canada.

Slide six shows our current capital position under Basel II along with the results from our impact assessment relating to the forthcoming transition for Basel III. As shown, the application of the 2019 Basel III rule against the bank's actual financial position at April 30th, 2011 results in a common equity Tier 1 ratio of 8.6 percent, a Tier 1 ratio of 9.5 percent, and a total capital ratio of 14.3 percent. This compares favorably to expected rate returning minimums under Basel III of 7 percent, 8.5 percent, and 10.5 percent respectively. The bank's already strong base of tangible common equity, relatively straightforward operations, and competition of capital are the main factors contributing to this strong position.

While these estimates do not include assumptions about management strategy, changes in the composition of regulatory capital, or financial performance in the future, they do demonstrate the strength of our current capital position. The proposed transition rules which extend from 2013 through 2019 provide further flexibility to currently managed capital through the transition while ensuring we are positioned for continued growth.

We expect to remain well above the minimum Basel III standards and don’t foresee any requirements to change our business operations or issue additional common equity. We remain committed to deploy available capital in areas that will add further value for CWB shareholders.

And I’ll now turn things over to Larry to provide additional comments on our outlook and strategy beginning with slide seven.

LARRY POLLOCK (President and Chief Executive Officer, Canadian Western Bank): Thanks, Tracey. As shown on this slide, the level of gross impaired loans measured as a percentage of total loans demonstrates a positive trend and credit quality over the past four quarters. Gross impaired loans totaled 129 million at quarter end compared to 132 million last quarter and 167 million a year earlier.

While there are positive signs, the current credit cycle continues to run its course and we expect the dollar level of gross impaired loans will continue to fluctuate until economic recovery strengthens further.Our quarterly provision for credit losses of 5.3 million was down .9 million from the last quarter and represents 19 basis points of average loans, slightly below our fiscal 2011 target range of 20 to 25 basis points. The decrease in dollar provisions reflects positive credit trends in national leasing portfolio combined with consistent expectations for credit quality and other lending areas.

There was a 7 million increase in the specific allowance for credit losses in the quarter that resulted in a reduction in the general allowance, however, this increase in the specific allowance was mainly due to a single loan in the hospitality sector and does not represent the quality of the loan portfolio as a whole.

Our ongoing commitment to secured lending and disciplined underwriting combined with a positive economic outlook in our key Western Canadian market support our view that actual write-offs will remain within the bank's range of acceptable levels.

Based on current expectations, maintaining our targeted annual provision for credit losses should result in an increase in the general allowance over the next two quarters.

Results of our ongoing stress tests show that a general allowance for credit losses remain sufficient based on our expectations for credit quality and the secured nature of the loan books.

Slide eight. The next slide highlights our strategic priorities for 2011. As we've stated in prior periods, the bank's objective for 2011 and beyond is to improve across each area of our organization. We will continue to concentrate our resources in areas where we can build on our competitive advantages and increase market share. This includes enhancing our focus on business banking while continuing to diversify in complimentary financial services areas.

Effective execution of our strategies will require ongoing investment in our people, infrastructure, and technology, but we will maintain discipline in effectively managing costs.

In the second quarter, we continue to roll out the bank's new loan origination system. That is expected to provide considerable efficiencies once fully implemented.

Infrastructure initiatives completed in the second quarter include the expansion of our Medicine Hat, Alberta branch to a full-service facility as well as complete the renovation of one of our existing branches in Surrey, B.C. We remain on target to open our new full-service branch in Richmond, B.C. in the fourth quarter of this year. Plans are underway to open a second full-service branch in Winnipeg, Manitoba.

All of our operating affiliates continue to produce solid results and have excellent potential to further develop and grow. In particular, we see opportunities to further build on National Leasing's position as a leader in small and mid-ticket leasing.

We remain committed to effectively deploy available capital with a goal to create long-term value and grow our CWB shareholders. Our strong capital base relative to both existing and Basel III capital rules has us very well-positioned to manage through unforeseen challenges. It also provides us with significant flexibility to take advantage of accretive opportunities that may arise.

A number of initiatives with the potential to increase the bank's return on common equity are currently under investigation. This includes strategies to optimize our existing capital base. We're also developing plans for the bank to apply for and utilize internal risk ratings to calculate risk-weighting assets in the future.

Our commitment to grow in less capital intensive areas such as equipment financing, alternative mortgage lending, and other areas also support our objective to enhance ROE.

Overall, our second quarter and year-to-date performance continue to build up our record results last year while we expect ongoing challenges including increased competition to continue. We are very well positioned to capitalize on the significant opportunities we see developing in our key markets.

Our main strategic theme for 2011 is do what we do only better and we are confident in the ability of the CWB team to deliver on this goal.

I will now turn things back to Tracey.

TRACEY BALL: Okay, thank you, Larry and that does conclude our formal presentation for today's call. At this time I'll ask Chris (inaudible) 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 star then the number one on your telephone keypad.

And our first question comes from the line of Dave Mun from RBC. Your line is now open.

DAVE MUN: Thanks and good afternoon. Tracey, in your remarks you mentioned your positive outlook on heavy equipment financing. I just wanted to drill down on some of the other portfolios. For example, the residential mortgage growth seems to be in the 20 percent range. Other banks are showing mid, high-single digit growth rates. Could you provide maybe a little bit more colour on your mortgage portfolios, how much of the growth in your optimum book is coming from insured and whether you expect this type of growth to continue in light of the regulation changes in the state of the consumer?

CHRIS FOWLER (Executive Vice President, Canadian Western Bank): Dave, it's Chris Fowler. I'll respond to your question. On the mortgage portfolio, we definitely grew quickly in the first six months and it is looking to slow down a bit for the balance of the year, so we expect to come in probably just slightly under our budget for the year.

DAVE MUN: Okay, great. And also maybe on the commercial real estate and construction book, that seems to be slowing, steadily slowing over the past few quarters, it's still a bit positive. Is that a portfolio where you think because the pay downs and the duration, we'll see negative growth rates in the upcoming quarters or years?

CHRIS FOWLER: Well, there was a slowdown in that market, probably 18 months to two years ago which did reduce the amount of inventory out there and the amount of projects. We have seen more projects come online now, so we do anticipate that portfolio to start to grow again.

I mean clearly in the downturn there was less product out there and less projects started, but that does seem to be certainly in the Lower Mainland reasonable. Calgary has got some new projects underway and Edmonton as well.

DAVE MUN: Okay, thanks.

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

JOHN REUCASSEL: Thank you. Just a question on the general state of the industry. Could you talk about maybe competition in the bigger lending areas in the commercial side. And I guess, Larry, a question for you. You know, Canadian banks have rediscovered commercial lending, but I think in the last 10 years they have underinvested in their human capital on that side. Are you seeing much poaching or are they driving up cost to you to employ commercial lenders or could you talk a little bit about that?

LARRY POLLOCK: Yes, I sure can. We have seen a lot more competition, John, lately. We're very well-positioned though to deal with it. We did enhance our ability to handle more deals by developing our own crop of lenders because a number of years ago, as you know, the banks de-emphasized that type of lending and lost their ability to manage the credit process and right now we're seeing with a renewed interest in getting back into that business as you mentioned. But we're still quite able to compete.

Where they tend to look for market share, which is just about everywhere right now, their way of getting it is just cutting rates. And it isn't always about the rate, it's the structure of the deal, it's the speed of response. There's a lot more to it. There's the sense that during the downturn we were still there and others weren't, so we had built up some loyalty, so we have quite a strong loyal customer base now. We're not going to necessarily insist that they pay more, but they get more value we feel with dealing with us.

JOHN REUCASSEL: And are there any particular markets, Larry, that are particularly price sensitive that you're seeing?LARRY POLLOCK: Sure, in the bigger cities that Chris mentioned earlier, certainly in the

Lower Mainland of Vancouver, it's a hot market and everybody wants to be here, Calgary and Edmonton as well.

JOHN REUCASSEL: Okay, and then just, you know, it is a—we haven't heard a lot of banks that have your statement which you said here. Well, I think an optimistic outlook on loan growth or loan growth better than expected. Could you just update us and I'm sorry if I missed it, how much of this is people actually starting to draw on lines now or how much is new loans and what's the mix or the outlook look like?

LARRY POLLOCK: Well, there are a lot of under on lines that will be drawn, but you maybe saw the report that there's roughly $2 trillion worth of potential capital spending in mostly Alberta and mostly in Western Canada in the next little while and our customers are pretty well flat out now. They're buying equipment, they're expanding their businesses, they're drawing their lines down, they're increasing their lines.

So these relationships that we already have seem to be really gearing up. And you hear that everywhere that the one caveat you put against that is everybody is talking about the shortage of labour. In years gone by we would simply draw our labour from Saskatchewan, Manitoba, and Newfoundland, come into the oil patch and do the work. Now those areas are very busy as well, so we're not able to get the skilled labour that we need in Alberta particularly.

JOHN REUCASSEL: That's a high-class problem, Larry?

LARRY POLLOCK: Yes.

JOHN REUCASSEL: The last two questions. Any Slave Lake impact on the insurance business or material? And then Tracey, on the securities gains, you keeping saying they're unsustainable, but I see your unrealized gains are still as high at the end of this quarter as they were at the end of last quarter, so maybe just update us on your thoughts there.

TRACEY BALL: Yes, John, on the Slave Lake fire, Canadian Direct incurred two losses on homes and three autos. And there will be about 1.4 million of—1.7 million, I'm sorry, of a loss, but it will easily be absorbed, so you'll see a better reduction, but it won't — it's fine, they can absorb it quite easily. It wasn't big enough to go into the cash cupboard.

And the second question was the gains on (inaudible) securities. We keep developing our expertise in that area and I know I'm starting to sound like a broken record, but they will go down, but we do expect to see some level of gains going forward to the end of the year.

JOHN REUCASSEL: Thank you.

OPERATOR: Your next question comes from the line of Shubha Khan from National Bank Financial. Your line is open.

SHUBHA KHAN: My questions have all been answered actually, thanks.

LARRY POLLOCK: Okay.

OPERATOR: The next question comes from the line of Michael Goldberg from Desjardin Securities. Your line is now open.

MICHAEL GOLDBERG: Thank you. So you've made great progress in getting the—a lot of the warrant sector sides (phon) or cleaned up. Do you think that you could get the remaining warrants exercised by year- end? Have you seen this playing out?

TRACEY BALL: Michael, it's Tracey. We're doing quite a bit of work on that right now. One of the issues that we've identified and we do have some hedge funds holding the warrant and they're in a fully-hedged position, so their appetite to doing anything may be limited. But we continue to try and, you know, gain as much information as we can about the existing, the remaining warrant holders and it's on our radar screen for sure.

MICHAEL GOLDBERG: Okay, I also want to follow up on your comment about saying opportunities to grow the National Leasing platform. How tangible are these opportunities? Can you give us any idea of timing?

LARRY POLLOCK: It's underway now. We have two main sources of revenue or business flow. One is from our only internal people, salespeople out in the marketplace and the other is from independent brokers. And we've been doing a lot of work in both areas. One, we're holding a conference next week actually for our independent brokers in Winnipeg, and we'll try to generate more business from them. And I've been expanding and doing a lot of training with our internal brokers, our staff, sales staff. So we're really just enhancing—like our strategy said, doing what we do better.

There isn't a restriction anymore or hindrance anymore that National Leasing faces in the amount of liquidity they have or the amount of capital they have, so we've really removed all restrictions to their growth and they've broadened their product lines out as well. So we're expecting and anticipating significant growth from National Leasing. There's also still the unwinding of the securitized pools. We are keeping all new business on balance sheet now as opposed to securitizing anything off as was the case in the past.

MICHAEL GOLBERG: Do you see any opportunities to acquire portfolios or other leasing companies that could be complimentary?

LARRY POLLOCK: Yes, there are opportunities out there. Part of the problem that you run into in acquiring another leasing company is the value that they place on their platform because we have an excellent platform and would really be quite reluctant to pay for that. What we would want to pay for is the book of business and the ability to grow our own book, so the sales force if you like. So that's one hindrance. There are also portfolios on the street that we have bought some and we will continue to look for them. I know there is a couple that they're looking at right now in fact.

MICHAEL GOLDBERG: So should we think that there's a high probability that there will be, you know, something other than organic being added?

LARRY POLLOCK: Yes, but in modest amounts. I wouldn't think that it would move the needle much.

MICHAEL GOLDBERG: Okay, and just one other thing. Getting back to the Slave Lake question. Tracey, you mentioned 1.7 million of loss that would be absorbed. Is that in the third quarter? And your—in excluding Alberta risk-sharing pool here, your combined ratio has been, you know, in the low nineties. You know, how much do you see this moving it up?

BRIAN YOUNG (Executive Vice President, Canadian Western Bank): Hi Michael, it's Brian here.

MICHAEL GOLDBERG: Yes.

BRIAN YOUNG: Yes, it will be in the first quarter and—or sorry, in the third quarter. It will be in the third quarter, the impact of Slave Lake. And I will remind that it won't even penetrate—we don't expect it to penetrate above our retention levels into our cash (inaudible).

In terms of the impact on the combined ratio, are you looking for it on an annualized basis? It would be really under 2 percent, but I would caution you to that, you know, it's not really easy just to sort of add that in because often these things are balanced out by good performance in other parts of your book and overall I would expect the impact on the combined ratio and if you're looking for my best estimate for this year, it would be, you know, maybe a half a point.

MICHAEL GOLDBERG: Thank you very much.

OPERATOR: Again if you'd like to ask a question, please press star then number one. Your next question comes from the line of Sumit Malhotra from MacQuarie Capital Markets. Your line is open.

SUMIT MALHOTRA: Thanks, good afternoon. First question, probably for Larry on that interest margin. You guys have been pretty consistent in saying in the last couple of quarters that you didn't expect the NIM to move up too much more, at least until we start to see Bank of Canada rate hikes. It doesn't sound like that's happening in the near term, so I wanted to think about the possibility that we could see it go the other way. As you mentioned a couple of times, you're seeing an increased interest from the larger banks on the commercial space. And if they're leading with price, how vulnerable is the bank to a material, that interest margin compression in the near term?

LARRY POLLOCK: I don't think we're going to see much of that. We haven't seen much deterioration in the National Leasing book which has propped our margins up. Do we have an estimate on that, Tracey? I don't think we do.

TRACEY BALL: Well, just based on our view about which portfolios that are going to perform better. Obviously, equipment lending outside of National Leasing is another high-yield portfolio. We haven't started to see that grow yet because the amortization of that portfolio has shortened so much because we weren't putting many new equipment loans on. They're in the recessions for obvious reasons, but we're seeing that demand come back, so that'll be helpful to our margins. So it's hard to know ahead of time, so we say it's relatively stable.

LARRY POLLOCK: Yes, we did a floating rate note as well. Sumit, I think you saw that. We're on the 2 percent cost for a two-year note, floating rate note. That will help our funding.

SUMIT MALHOTRA: The competitive environment on the loan side perhaps putting some pressure on new loan yields, but still the securitization run-off and the new business of National Leasing, the spread is still pretty healthy it sounds like, is it?

LARRY POLLOCK: Yes, we're still getting pretty good margins on most of our business. I mean we don't run into the big five banks much on equipment lending. We have seen some compression on our optimal mortgage book on the (inaudible) business. (Inaudible) has become more aggressive there. But we shift our focus from doing less insured business and more (inaudible). In a good market that's probably a pretty good strategy. It will keep the margins reasonably stable there, too. But we don't expect as we said to see much movement.

SUMIT MALHOTRA: So let's take one a little bit more optimistic here. You're still feeling pretty good about loan growth margins hanging in okay, nice number under Basil III on a pro-forma basis. So why weren't you a little bit more aggressive with the dividend this quarter given that you're still under your payout ratio? And maybe taking it a step further, what's your thinking around the preferred shares which obviously were issued at a pretty high cost a few years back?

LARRY POLLOCK: Yes, we haven't fully analyzed what our strategy is going to be on our capital. As you can imagine there's lots of moving parts there. I mean we considered what we're going to do with the remaining 5.3 million warrants. Certainly we could look at the preferred shares, there's 34 months left on them. To pay a big premium at this point when you know at some point down the road you're going to pay $25 when you redeem them, why would you pay 27.5 today? There's all those issues. Sure, we're paying a high rate on them, but they are capital that maybe we can use more efficiently doing something else with them.

So I think we'll have a little more colour at the end of the third quarter on our capital position. Certainly you've seen the disclosure we have here stating that we are compliant on the Basel III. We're in really good shape and now it's just a question of how are we going to deploy the surplus. And we're considering all of our options right now.

SUMIT MALHOTRA: And it sounds reasonable that you didn't touch on the common dividend. It sounds reasonable to expect with where you are maybe it's going to be measured, but there's certainly the capacity for shall we say regular dividend increases for the (cross talking).

LARRY POLLOCK: Absolutely, yes. I mean I think there were some analysts felt that we would do two sets this quarter. We opted to just do a (inaudible) until we fully thought through what all of our options are here. But we have lots of room, we're still at the very bottom of our range, our payout range. And we have lots of capacity and continue to raise dividends.

TRACEY BALL: The other comment I might make, too, on the preferred shares is that with the transition rules surrounding Basel III, it may not be in our best interest to bring that down ahead of 2013. So it just allows us to issue more non non-viable contingent capital ahead of 2013 and that accounts for a longer period of time or more fully in post 2013. So that's another aspect that we have to consider.

SUMIT MALHOTRA: Thanks for your time.

OPERATOR: Your next question comes from the line of Dave Mun from RBC. Your line is now open.

DAVE MUN: Good, thanks. My question on press was just answered, thank you.

OPERATOR: Again to ask your question, please press star then number one.

Your next question comes from the line of Denise Selden from Copper Rock Capital. Your line is now open.

DENISE SELDEN: Yes, two longer term questions. First on cross-selling from National Leasing. Are you still optimistic that you can continue to improve the cross-sell between the two operations? And then secondly, with business so strong, what might be the plans for further expansion of the bricks and mortar network?

LARRY POLLOCK: We have plans as we outlined in our comment, to continue to expand our bricks and mortar. We are not only building new locations, but we're expanding and redeveloping some of the ones we already have. And we will be providing more clarity going forward on that aspect of our growth. Having lots of locations is really not an objective of ours, having them strategically placed, but our branches are much larger. They're 7,000 feet or larger, they house commercial lenders, and we make them profitable extremely quickly and run very low efficiency ratios. In our largest branches run sub-20 percent efficiency which is really, really strong. So we're doing that.

The cross selling question, it is a main objective of ours. We just held a strategy session with our board, that's a target of ours. Specifically for National Leasing, the Bank has a lot of distributors that it banks and these distributors aren't necessarily clients of National Leasing. We also in the bank do a lot of lending to public companies that don't necessarily have their stop transfer business with us and we find that we have a lot of one-off dealings with clients that are really low-hanging fruit for us if we just go and ask for more business and we find we can get it.

So we haven't done a very good job of that in the past because when you're growing at 10 to 20 percent a year you tend not to focus on the low-hanging fruit. And we're starting to do a better job of that now. I hope that answers your question.

DENISE SELDEN: Yes, thank you.

OPERATOR: There are no further questions in queue at this time.

TRACEY BALL: Okay, thank you Krista and thanks very much to everyone for your continued interest in Canadian Western Bank. We look forward to reporting our 2011 Third Quarter results on September 2nd. If you have any follow-up questions or comments, please call us or contact us by e-mail. Thank you and good day.

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

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