



**PACIFIC & WESTERN CREDIT CORP.  
MANAGEMENT PROXY CIRCULAR**

DATED JANUARY 23, 2008

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**PACIFIC & WESTERN CREDIT CORP.  
MANAGEMENT PROXY CIRCULAR  
FOR THE ANNUAL MEETING OF SHAREHOLDERS  
to be held on Friday, April 4, 2008**

**SOLICITATION OF PROXIES BY MANAGEMENT**

This Circular is furnished to shareholders of Pacific & Western Credit Corp. (the "Corporation") in connection with the solicitation of proxies by or on behalf of the management of the Corporation for use at the Annual Meeting of the common shareholders of the Corporation (the "Meeting"). The information contained herein is current as of January 23, 2008, unless otherwise indicated. The Meeting will be held at the Toronto Stock Exchange Broadcast & Conference Centre, Gallery, The Exchange Tower, 130 King Street W., Toronto, Ontario, on Friday, April 4, 2008 at 10:00 a.m. for the purposes set forth in the accompanying Notice of Annual Meeting (the "Notice"). It is expected that the solicitation of proxies will be primarily by mail. Proxies may also be solicited personally or by telephone by officers and directors and other representatives of the Corporation, as the case may be. The cost of solicitation by or on behalf of management will be borne by the Corporation.

It is not intended to use the accompanying form of proxy for the purpose of voting on the consolidated financial statements of the Corporation and its subsidiaries for the year ended October 31, 2007, and the reports of the directors and auditors on them.

**APPOINTMENT OF PROXIES**

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON, WHO NEED NOT BE A SHAREHOLDER, AS HIS OR HER NOMINEE TO ATTEND AND ACT FOR HIM OR HER AND ON HIS OR HER BEHALF AT THE MEETING, OTHER THAN THE PERSONS DESIGNATED IN THE ENCLOSED FORM OF PROXY.** This right may be exercised by inserting such person's name in the blank space provided in the form of proxy. Proxies are to be returned to Computershare Investor Services Inc. in accordance with the instructions provided on the form of Proxy.

**Registered shareholders who plan to attend the Meeting and wish to vote their shares in person at the Meeting should not complete or return the form of proxy. Their votes will be taken and counted at the Meeting. Such shareholders are to register with the transfer agent, Computershare Investors Services Inc., upon their arrival at the Meeting.**

**ADVICE TO NON-REGISTERED HOLDERS - Voting of Common Shares**

**The information in this section is of significant importance to a substantial number of shareholders who do not hold their shares in their own name, but who hold their common shares through an intermediary (a bank, trust company, securities broker, trustee or other). Shareholders that do not hold their common shares in their own name are referred to in this document as Non-Registered Holders.**