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Unitization error to be corrected

We are pleased to let Pension Plan members know that approval has been received from the Canada Revenue Agency (CRA) to move forward to correct a previous error in the calculation of the value of some Pension Plan accounts. The error, made in 2009 resulted in some members receiving too much investment income, and some members receiving too little investment income.

Western has been awaiting a ruling by the CRA on whether the correction could be made without creating a subsequent change in a member’s contribution limits. The CRA has ruled in Western’s favour and the University is proceeding with the correction:

- Accounts affected in a negative way will be reimbursed for the amount of the error, and will also be credited in an amount equal to the rate of return that would have been realized since 2009.
- Reimbursement will not be sought from those accounts that were positively affected.
- Some accounts were affected in both a negative and positive way, as they had funds in more than one account. They will be reimbursed only if the loss exceeds the gain and the reimbursement will be equal to the difference between the two.
  - Former pension plan members who have left Western since the error will be reimbursed via direct deposit or cheque if the error was greater than $5.00.
  - The CRA ruling confirms that the adjustments to accounts will not impact a member’s retirement savings limits.

Each member affected by the error has been informed, and will receive a statement of adjustment outlining details of the error to their account.

We sincerely regret the length of time it has taken to receive the necessary approvals to move forward with the correction of the error.

Background information and a Questions and Answers page are available at https://www.uwo.ca/hr/facultystaff/pension_unitization/index.html. A Western user id and password are required.

Deadline for December transaction requests

Holiday Season means some early deadlines in December. All investment changes, transfers out and lump sum requests must be submitted by Thursday, December 17, 2015 to be effective December 31, 2015. You may deliver these requests to Human Resources in Room 5100 of the Support Services Building, fax them to 519-661-4104, mail them or enter requests directly online in your pension account (where applicable). If you have any questions regarding this deadline, please contact HR by email at hrhelp@uwo.ca or phone 519-661-2194 (campus extension 82194).
Invest in your financial wellness

November 16-20th, 2015 is Financial Literacy Week and Human Resources is hosting three free workshops. Financial literacy is about having the knowledge, skill and confidence to make responsible financial decisions. Come and bring your lunch and a colleague to one or all!

Investing with Confidence
Tuesday November 17th 12:05-12:55 Weldon Library Rm 258
Originally presented by Sun Life Financial at the Western Staff and Leaders’ Conference in February 2015, this session provides a gentle introduction to the types of accounts and investments in the financial marketplace that can help you meet your goals. The session was so well-received, Sun Life is offering it again!

Investing 101: Your Western Pension
Wednesday November 18th 12:05-12:55 UCC Rm 315
Western offers 15 investment options to choose from to suit your individual savings goals. Each option has a different level of risk and may be suitable at different points in your career. It is up to you to choose the mix that is right for you. Come and learn about your options!

Investing 200: Behind the scenes on Western’s two largest funds
Friday November 20th 12:05-12:55 UCC Rm 67
Are you interested in a deeper understanding of how the pension plan investment options are constructed? Join us for a behind the scenes look at how the investment funds are created, using the recent changes to the Diversified Equity Fund and Diversified Bond Fund as a guide.

No advance registration is required to attend these workshops, but seating is limited.

Time to make your RIF move

The Western RIF transition to the new Sun Life Retirement & Savings Plan for Western Retirees (Sun Life Plan) is almost complete, and the final deadline for current Western Retirement Income Fund members to complete the paperwork to make their move is November 13. Members may choose the new Sun Life Plan, or move to another financial institution. Please contact a Western Pension Consultant to initiate this paperwork. If you have not completed the necessary paperwork by November 13, your assets will be automatically transferred to similar investments under the Sun Life Plan.

Nearly 75% of our Western RIF members have already confirmed their move, with over 80% of those choosing the Sun Life Plan.

As the new preferred provider of a Retirement Income Fund for Western retirees, Sun Life offers Western retirees many advantages. The new Sun Life Plan offers members access to a broader range of high quality investment choices, a high level of flexibility, including the opportunity to transfer in outside assets and spousal accounts, and convenient financial planning support. Western has negotiated very attractive fees at group rates lower than you would expect to pay as a retail investor. Sun Life Financial has agreed to guarantee the initial fee structure for life for those joining in the next ten years.

On-campus 1:1 meetings with a Sun Life Retirement Consultant are still available from October 5 - 8. To find more information or to register for a 1:1 consultation with a Sun Life Retirement Consultant go to: http://www.uwo.ca/hr/pension/plan/changes/rif.html

To watch a recorded information session go to: http://www.uwo.ca/hr/form_doc/pension/doc/rif/webinar_link_rif_mem.pdf You will require a password to access the webinar. If you are a Western RIF or Pension Plan member, please contact Human Resources to obtain a password.

Need more help? Call a Western Pension team member at 519-661-2194. To speak with a Sun Life Retirement Consultant call toll-free at 1-866-224-3906 (select option 1), any business day between 8 a.m. and 6 p.m. ET.
» ORPP – Coming into focus

As the provincial government moves forward with its proposed Ontario Retirement Pension Plan (ORPP), consultations with Western and other employers have resulted in clarification of some important details. Specifically, the government has outlined the threshold that employer-sponsored pension plans must meet to qualify as “comparable” to the ORPP. A “comparable” designation will allow Western and other organizations with registered pension plans to continue to serve most of their employees without a need for additional coverage under the new provincial plan. The rules are designed to ensure that a registered pension plan provides a similar or better retirement income stream to the ORPP.

For organizations with Defined Contribution Plans such as Western, a minimum eight percent contribution rate with four percent coming from the employer is required. Currently Western contributes a minimum of 7.5% and the minimum employee contribution is 2.5%, so combined contributions clearly exceed the new standard. This means Western Pension Plan members will not be required to participate in the new provincial plan.

Similar rules for comparability have been put in place for Defined Benefit Plans.

Employers within the province are being given time to consider their alternatives and either bring plans into line with comparability to the ORPP, or enroll employees in the new ORPP. Western is considering options for employees not currently enrolled in our plans. By January 1, 2020 all Western employees will be required to either enroll in the ORPP or in a workplace plan that meets the standards being proposed.

For more information on the ORPP, please visit the Ontario government website at: [http://www.ontario.ca/page/orpp-ontario-retirement-pension-plan](http://www.ontario.ca/page/orpp-ontario-retirement-pension-plan)

» Making a move to Sun Life - How to compare

If you haven’t yet completed the transition of your Western RIF account or are retiring soon, and are comparing your options, here are some points of clarification to questions or concerns we have heard from members.

My access to investment fund options is limited.

Western has worked closely with Sun Life to develop an investment line-up that closely resembles the investment line-up at the Western Pension Plans, which offer a wide variety of investment options for many risk tolerance levels. These fund options have been developed by our investment professionals to meet the needs of our members, ensuring an appropriate level of flexibility.

My external advisor doesn’t believe that the fees can be that low. Are there other hidden fees?

Western and Sun Life have negotiated investment management fees that are highly competitive based upon building a long-term agreement that is beneficial for our Western retirees. The fees being charged are at group rates, lower than you would expect to pay as a retail investor. Sun Life Financial has agreed to guarantee the initial fee structure for life for those joining in the next ten years. And no, there are no monthly or hidden fees in the Sun Life Plan (however, fees are applicable in some non-recurring circumstances such as a short-term trading fee.)

I want my advisor to know me and I want a local presence.

Joining the Sun Life Plan connects you directly with a Sun Life Retirement Consultant who will take the time to learn about you, your needs, and your investment risk tolerance. Sun Life Retirement Consultants will be available by appointment here in London on a recurring basis, where you will be able to speak face-to-face about your needs. Additionally, you can always connect with and make account changes with your Retirement Consultant by phone, and complete many transactions on the web.

Will my Retirement Consultant try to sell me investments I don’t need?

The Sun Life Retirement Consultants are not compensated based upon the investment decisions you make. They have focused expertise in retirement planning and will provide guidance on the Sun Life Plan. Therefore, you can feel comfortable that the investment decisions are based upon in-depth knowledge of the options available and your risk tolerance levels. Additional comprehensive support for estate and tax planning, or insurance solutions, are available by request from a Sun Life Advisor. Commissions may apply.
**Market turmoil and Western Pension funds performance**

August was a tough month for investors world-wide as global equity markets pulled back sharply. Performance for equities and fixed-income was poor overall. Equities ended down 5.25% as measured by our Diversified Equity Fund’s return. Foreign currency gains helped as the US dollar gained 0.59% over the Canadian dollar during the month. Fixed-income also ended down for the month of August by 0.55% as measured by our Diversified Bond Fund’s return.

Despite a poor August for markets, the year-to-date (YTD) performance continues to be positive at respectable single digit levels for both fixed-income and equities. However equities have moved significantly down from the YTD high of 11.17% achieved at July 31/15 (based on the Diversified Equity Fund’s return).

What is an investor to do? The market shifts are unsettling to be sure, but making drastic changes in times of turmoil is not recommended by many market experts. This is a good time to talk with your financial advisor about your larger goals, and make sure your investments are aligned in a way to allow you to stay focused on your long term goals.

**HISTORICAL INVESTMENT RETURNS AT AUGUST 31, 2015**

<table>
<thead>
<tr>
<th>FUND</th>
<th>1-MONTH</th>
<th>1-YEAR</th>
<th>5-YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TIER 1</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balanced Income</td>
<td>-1.97%</td>
<td>5.33%</td>
<td>7.52%</td>
</tr>
<tr>
<td>Balanced Growth</td>
<td>-3.85%</td>
<td>6.15%</td>
<td>10.36%</td>
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<tr>
<td><strong>TIER 2</strong></td>
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<tr>
<td>Diversified Bond</td>
<td>-0.55%</td>
<td>4.64%</td>
<td>5.28%</td>
</tr>
<tr>
<td>Diversified Equity</td>
<td>-5.25%</td>
<td>6.73%</td>
<td>12.36%</td>
</tr>
<tr>
<td><strong>TIER 3</strong></td>
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<td></td>
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<tr>
<td>Money Market</td>
<td>0.03%</td>
<td>0.84%</td>
<td>1.05%</td>
</tr>
<tr>
<td>TDF June/2016</td>
<td>0.02%</td>
<td>1.74%</td>
<td>3.14%</td>
</tr>
<tr>
<td>TDF June/2018</td>
<td>-0.13%</td>
<td>3.92%</td>
<td></td>
</tr>
<tr>
<td>TDF June/2020</td>
<td>-0.31%</td>
<td>5.57%</td>
<td></td>
</tr>
<tr>
<td>Canadian Bond</td>
<td>-0.89%</td>
<td>4.67%</td>
<td>4.56%</td>
</tr>
<tr>
<td>Long Term Bond</td>
<td>-2.25%</td>
<td>6.16%</td>
<td>7.04%</td>
</tr>
<tr>
<td>SRI - Equity</td>
<td>-6.87%</td>
<td>-0.28%</td>
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<td>Canadian Equity</td>
<td>-4.40%</td>
<td>-4.85%</td>
<td>8.25%</td>
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<tr>
<td>US Equity - (Hedged)</td>
<td>-6.12%</td>
<td>0.63%</td>
<td>15.53%</td>
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<td>US Equity - (Unhedged)</td>
<td>-3.94%</td>
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<td>20.92%</td>
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<tr>
<td>Non-North Am. Equity</td>
<td>-6.11%</td>
<td>15.97%</td>
<td>10.61%</td>
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<tr>
<td>Liquidating Trust</td>
<td>0.61%</td>
<td>2.82%</td>
<td>9.29%</td>
</tr>
</tbody>
</table>

**2016 full-day retirement planning workshops**

If you are retiring in the next ten years, it may be time to learn more about your options and possibilities. For more details on the workshop, including how to register, visit: [http://www.uwo.ca/hr/pension/workshops/workshops.html](http://www.uwo.ca/hr/pension/workshops/workshops.html)

- Wednesday March 2
- Tuesday May 10
- Thursday August 18
- Friday October 28

**OUR COMMITMENT TO ACCESSIBILITY**

Western University is committed to increasing the accessibility for persons with disabilities. We want to ensure that persons such as retirees, staff and faculty who have a disability receive access to our services in a way that recognizes the four principles of accessible service: dignity, independence, integration and equal opportunity. This goal is also consistent with the Accessibility Standard for Customer Service pursuant to the Accessibility for Ontarians with Disabilities Act.