

FAQ #2

- **What do I need to do right now?**

You don't need to do anything right now. Members whose accounts are affected by this plan will receive an individual Inter-fund Transfer Statement showing the Restructured Notes being moved out of the affected investment fund(s) to the Liquidating Trust. The Western Retirement Plans have been amended to allow this transfer to happen without individual member direction.

- **Does this change the amount of ABCP in my pension account?**

No, the exposure to Restructured Notes, formerly non-bank ABCP, in your account is being moved to the Liquidating Trust so that it is no longer co-mingled within the original affected investment funds. The amount of your exposure to Restructured Notes is not being changed as a result of moving these notes.

- **When will I get more information?**

Members who are impacted will receive a personalized statement called an Inter-fund Transfer Statement showing them the details of the transaction. The statement is expected to be provided at the end of October 2009 showing all values at September 30, 2009.

We will be holding workshops for members to provide members with information about the Restructured Notes and member options. A schedule for the workshops is expected to be available by the end of October.

- **When will I see the estimated value of Restructured Notes in my account?**

Once the Restructured Notes are moved into a separate fund (the Liquidating Trust), all affected members will receive the individual statement showing the transfer of the Restructured Notes as of September 30, 2009. This will show the estimated value of the Liquidating Trust that each member holds. The estimated value on the Liquidating Trust is based on the value that the investment manager is attributing to the Restructured Notes. It is unlikely that this value could be realized under current market conditions.

- **How will this affect the redemption restrictions on my account?**

After October 1, 2009 there will be no redemption restrictions on the 5 funds that had previously had restrictions (Diversified Equity Fund, Balanced Growth Fund, Balanced Income Fund, US Equity Hedged and US Equity Unhedged Fund).

The Liquidating Trust which holds all the Restructured Notes will be subject to a complete redemption restriction. Members will be getting a chance to sell or redeem their units in that fund if and when a buyer is found and at that time restrictions on the Liquidating Trust would be lifted to enable the sale or redemption those units.

- **When do you expect to merge the funds and which funds are affected?**

We expect to merge the funds after the Restructured Notes have been moved to the Liquidating Trust. This is scheduled to occur on October 31, 2009. The funds affected are the Diversified Equity Fund B, the Balanced Growth Fund B, the Balanced Income Fund B, the US Equity Hedged Fund B and US Equity Unhedged Fund B. These funds were created to provide members with a place to invest their money without exposing their pension contributions to funds exposed to non-bank Asset Backed Commercial Paper. The "B" funds can be combined with the old funds because there would be no Restructured Notes in any of these funds. Combining the "B" version of these funds with the original funds will improve the Pension Fund structure and provide opportunities to lower fund manager fees.

- **Are you taking legal action against the investment manager that invested in non-bank asset backed commercial paper?**

The University cannot sue the manager because the Pan Canadian Committee restructuring plan for the non-bank ABCP market was done through a court settlement that provided the companies involved, including the investment manager in question, with protection from liability in exchange for their cooperation with the plan.

- **Have these Restructured Notes made any cash distribution so far?**

Four interest payments have been made so far:

- 1) Payment of accrued interest for the period from August 2007 to August 31, 2008 for about \$1.1 billion (to all investors)
- 2) Payment of accrued interest for the period from September 1, 2008 to January 16, 2009; an additional payment will also be made to investors in November 2009 in regard to that period
- 3) Regularly scheduled interest payment for April 2009: \$386,326.48 (to all MAV 2 investors)
- 4) Regularly scheduled interest payment for July 2009: \$14,276,330.66 (to all MAV 2 investors)