



July 20, 2009

Dear Members of the Western Retirement Plans

Re: Proposed plan to address the non-bank Asset Backed Commercial Paper

Many members, former members and retirees of the retirement plans have been affected by the collapse in August 2007 of the market for non-bank Asset Backed Commercial Paper. Five of the retirement plans' investment funds - the Diversified Equity Fund, the Balanced Growth Fund, the Balanced Income Fund, the US Equity Hedged Fund and the US Equity Unhedged Fund ("Affected Investment Accounts") - have had partial redemption restrictions in place since September 2007. In early 2009, a restructuring plan for non-bank ABCP was finalized by the courts; restructured notes were exchanged for the non-bank ABCP as part of this plan. Throughout this period regular updates have been provided and these can be viewed at: http://www.uwo.ca/humanresources/facultystaff/comp/pension/temp_restrictions.htm

A review of market conditions has determined that it is unlikely that a market for the restructured notes will develop in the near term, and consequently, the Joint Pension Board has identified an approach for the management of the restructured notes in both the shorter and longer term. This approach, if implemented, would move these notes from the Affected Investment Accounts into a separate fund called the Liquidating Trust. Members, former members and retirees who had exposure to restructured notes (formerly non-bank ABCP) through their unit holdings in one or more of the Affected Investment Accounts would now hold these notes directly in the Liquidating Trust. This approach:

- would enable the removal of restrictions on the Affected Investment Accounts, though redemption restrictions will remain in place for the Liquidating Trust;
- would provide members the option to choose to sell or hold their restructured notes held in the Liquidating Trust in the event that a suitable buyer is located, without having to sell their units in any of the Affected Investment Accounts; and,
- would enable the Affected Investment Accounts and their companion "B" Funds to be merged.

We are seeking feedback from members by September 15, 2009 prior to the Joint Pension Board making a decision in September as to whether to implement this approach.

Part of this approach, in particular moving the restructured notes held by members, former members and retirees through units in the Affected Investment Accounts to holding restructured notes in the Liquidating Trust, will require a one time plan amendment to each of the retirement plans. The amendment will be limited to that purpose and be effective only for this one special situation. **This amendment does not change the amount of exposure to restructured notes that any member has, but it will enable members to choose how to deal with their restructured notes exposure separately from the investment choices they make for the balance of their Western retirement funds.**

Questions or comments can be directed to: hr-communication@uwo.ca; we ask that any comments you have be provided by September 15, 2009. Please refer to the website at: <http://www.uwo.ca/humanresources/ABCP/> for further information, including a copy of the draft amendment. If you do not have access to the website and would like a copy of the plan amendment, please contact HR Communications at 519 661-2194. A decision as to whether to proceed is expected to be made in September after the feedback period is completed. In the interim, members are not required to take any action. This announcement is for information purposes and to give members, former members and retirees an opportunity to provide feedback before any implementation decision is made.

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