

October 19, 2009

Dear Members of the Western Retirement Plans,

Re: Plan to address non-bank Asset Backed Commercial Paper

Further to the July 20th announcement regarding the proposal for the management of the Restructured Notes found at (<http://www.uwo.ca/humanresources/ABCP/announcement.pdf>), these are the notes that were received in exchange for non-bank Asset Backed Commercial Paper (ABCP), the Joint Pension Board has approved proceeding with implementing the management plan for the restructured notes and the related plan amendments.

This means that effective September 30th, 2009, members who have exposure to non -bank ABCP because they had investments in the Diversified Equity Fund, the Balanced Income Fund, the Balanced Growth Fund, the US Equity Hedged Fund or the US Equity Unhedged Fund in August 2007, will have their holdings of Restructured Notes moved out of these investment funds into a fund called the Liquidating Trust. This transfer will not require members to complete a transfer form. As well, moving the Restructured Notes held by members to the Liquidating Trust 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.

All members who are affected will receive an individual statement showing their exposure to Restructured Notes (formerly non-bank ABCP) being moved out of the affected pension fund(s) and being moved to the Liquidating Trust. We expect that these statements will be going out to affected members in early November. Once all the Restructured Notes have been moved to the Liquidating Trust redemption restrictions on the 5 affected funds will be lifted but a full redemption restriction will remain on the Liquidating Trust for the time being. Workshops will be held to provide members with more information about the Restructured Notes, the market for these notes and member options. The Joint Pension Board intends to search for a suitable buyer for these notes and if and when a suitable buyer is found offer members the choice of: redeeming their Liquidating Trust units at the then agreed price or holding on to these units for the longer term.

Our next steps will be to:

- search for a suitable buyer for the Restructured Notes held in the Liquidating Trust and if and when a suitable buyer is found, give members the choice to redeem their Liquidating Trust units or maintain the investment until a future opportunity to redeem or the maturation of the notes; and
- Merge the 5 "B" funds with their original parallel funds. These "B" funds were temporary and implemented to ensure that no contributions after August 2007 would be exposed to non -bank ABCP and they are no longer needed. For example the Diversified Equity Fund and the Diversified Equity "B" Fund will be combined.
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At this time you are not required to take any action, but we will be providing updates as needed and we encourage you to check the ABCP website at the address below for updates and additional information. Information about the workshops and the individual statements will be provided to affected members by early November. Questions can be directed to: hr-communication@uwo.ca. Please refer to the website at: <http://www.uwo.ca/humanresources/ABCP/>