

JOINT PENSION BOARD PRINCIPLES

1. **Offer members the broad and diversified CHOICE of both investment and retirement vehicles.** Flexibility and choice is very important because it allows individuals to adopt different decisions reflecting their degree of risk tolerance, the size and nature of their investment portfolio outside of the UWO Retirement Plan, their age and family circumstances, their interest in adopting an active asset allocation strategy, and their varying need for payments from their portfolio.
2. **Maintain FAIRNESS among members in plan operations.** Within the constraint of administrative feasibility, the choice of one member should not inequitably restrict or adversely affect the choice of another.
3. **Provide investment alternatives which possess high LIQUIDITY.** If members are to be free to move monies from one fund to another, if the portfolios are to be easily rebalanced to their established mix and if retired members are arranging for payments as frequently as monthly, these funds should be as liquid as possible.
4. **Assist members in making WELL—INFORMED DECISIONS about investment and retirement alternatives.** If choice is to be meaningful, members must be provided clear and comprehensive information about the plan operation, fund performance and relevance of plan options to individual circumstances.
5. **Solicit information about and be RESPONSIVE TO MEMBER PREFERENCES regarding the plan.** Communication is a two-way street. If there is to be an effective split of responsibilities between the Pension Board and member decision-making, members not only need to be informed about available options, they must also have ample opportunity to express their opinions and desires about how the plan itself should be run.
6. **Use PRUDENCE in assessing and reviewing plan decisions and operations.** The fiduciary responsibility of the Pension Board, to use ordinary prudence when dealing with the property of another person, is always of critical importance. Due diligence must be exercised in monitoring and supervising all aspects of the administration of the pension plans, managing all anticipated capital market, operational, legal and reputational risks of the pension and retirement income fund programs.
7. **Assure COST EFFECTIVE ADMINISTRATION of plan operation.** Cost is always a consideration. Concerns about costs may limit the extent to which other principles may be applied to a decision.