

**UNIVERSITY OF WESTERN ONTARIO RETIREMENT PLANS**  
**AllianceBernstein**  
**Manager Overview**

***UWO Retirement Plans***

- AllianceBernstein manages 15% of the Diversified Equity Fund, 50% of the Non-North American Equity Fund and 67% of the Diversified Bond Fund
- Since September 1, 2010 both the Diversified Equity Fund and the Non-North American Equity Fund are invested in the Sanford C. Bernstein International Equity Fund

***Assets Under Management (As of December 31, 2011)***

<b>UWO Fund</b>	<b>Mandate</b>	<b>Assets</b>	<b>Fees<sup>1</sup></b>	<b>Date Hired</b>	<b>Pool or Seg</b>
Diversified Equity	International (EAFE) equity	\$63.3 million	0.69%	March 1, 2001	Pooled fund
Non-North American Equity	International (EAFE) equity	\$6.4 million	0.69%	November 10, 1997	Pooled fund
Diversified Bond	Global fixed income (50% Canada, 50% international)	\$177.6 million	0.23%	December 2, 2003 <sup>2</sup>	Segregated fund

***Investment Style – International Equity***

The University invests in AllianceBernstein International Diversified Value strategy for the Diversified Equity Fund and the Non-North American Equity Fund. Since September 1, 2010 both the Diversified Equity Fund and the Non-North American Equity Fund are invested in a pooled fund that doesn't require securities to be listed on prescribed stock exchanges, which means that it may invest in emerging markets equities.

AllianceBernstein uses a bottom-up value approach. The firm looks for companies suffering from temporary troubles whose stocks are selling at a discount. They use a combination of quantitative and fundamental research to determine a company's long-term earnings power. Their quantitative approach involves looking at price multiples such as price-to-earnings and price-to-book ratios, but also success factors such as return on equity, price momentum and earnings revisions. Their fundamental research involves finding what went wrong and determining whether the company can recover. They do this by conducting interviews with company management, suppliers and competitors.

<sup>1</sup> AllianceBernstein gives the University a 10% discount on fees for the Global Bond Fund because of the multiple mandates we have with them.

<sup>2</sup> The portfolio has been managed according to the current guidelines since February 2007.

***Investment Style – Global Fixed Income***

The University invests in a global fixed income portfolio that has a target mix of 50% Canadian bonds and 50% non-Canadian bonds. AllianceBernstein uses fundamental and quantitative research to find opportunities. Fundamental research involves reviewing an issuer's credit rating and assessing a particular industry. Quantitative research involves comparing valuations and finding the best combination of bonds. They seek to add value through security selection, sector allocation (choosing between federal, provincial and corporate bonds), country/yield curve selection and currency selection.

***Historical Performance – International Equity (Diversified Equity Fund & Non-North American Equity Fund)*****Annualized Returns as of December 31, 2011**

	<b>1-Yr</b>	<b>3-Yr</b>	<b>5-Yr</b>	<b>Since Inception</b>
International Value	(16.10)%	(1.83)%	(11.53)%	1.64%
MSCI EAFE	(9.97)%	0.96%	(7.23)%	1.28%
Value Added	(6.13)%	(2.79)%	(4.30)%	0.36%

**Annual Returns (Calendar Years)**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
International Value	(16.10)%	(1.91)%	14.98%	(38.18)%	(7.33)%
MSCI EAFE	(9.97)%	(2.13)%	11.91%	(29.18)%	(5.72)%
Value Added	(6.13)%	(4.04)%	3.07%	(9.00)%	(1.61)%

***Historical Performance – Global Fixed Income*****Annualized Returns as of December 31, 2011**

	<b>1-Yr</b>	<b>3-Yr</b>	<b>5-Yr</b>	<b>Since Inception</b>
UWO Fixed Income	8.69%	10.91%	6.46%	4.57%
Benchmark	8.00%	6.37%	5.97%	4.03%
Value Added	0.69%	4.54%	0.49%	0.54%

**Annual Returns (Calendar Years)**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
UWO Fixed Income	8.69%	9.46%	14.67%	(4.61)%	5.11%
Benchmark	8.00%	5.89%	5.23%	6.08%	4.69%
Value Added	0.69%	3.57%	9.44%	(10.69)%	0.42%

**UNIVERSITY OF WESTERN ONTARIO RETIREMENT PLANS**  
**AllianceBernstein**  
**Meeting Agenda**

**Date:** February 13, 2012

**Meeting time:** 11:00 AM to 12:30 PM

**Location:** The University of Western Ontario, Support Services Building, Room 4220

**UWO Attendees:**

Stephen Foerster, Prof. Richard Ivey School of Business  
Shannon Butler, Prof. Management & Organizational Studies  
Michelle Loveland, Prof. Management & Organizational Studies  
Ab Birch, Systems Support Analyst, Financial Services  
Jim Loupos, Internal Audit  
Cindy Servos, Associate Director, Finance, Schulich School of Medicine and Dentistry  
Jane O'Brien, Associate Vice-President, Human Resources  
Louise Koza, Director, Total Compensation  
Lynn Logan, Associate Vice-President, Financial Services  
Krys Chelchowski, Director of Administration, Faculty of Health Sciences  
Craig Dunbar, Prof. Richard Ivey School of Business  
Martin Bélanger, Director, Investments  
Bruce Curwood, Investment Consultant, Russell Investment Group

**1) ORGANIZATION (10 Min):**

- Discuss any meaningful change to your corporate structure since the last review
- Review changes in assets under management
- Discuss clients gained and lost

**2) INVESTMENT PERSONNEL (5 Min):**

- Overview of key personnel on our mandates
- Discuss personnel turnover

**3) REVIEW OF GLOBAL BOND MANDATE (20 Min):**

- Overview of investment process and changes to investment policy, if any
- Performance overview
- Attribution analysis
- Detractors/contributors to performance
- Portfolio characteristics
- Discuss changes made to the portfolio
- Discuss current portfolio positioning
- Describe the use of derivatives in the portfolio
- Discuss your exposure to high yield bonds
- Discuss your exposure to emerging markets
- Discuss currency management

- Describe how you measure and control portfolio investment risk
- Report how you integrate environmental, social and governance factors in your investment process and the impact on your portfolio and investment strategy

**4) REVIEW OF INTERNATIONAL VALUE MANDATE (45 Min):**

- Overview of investment process and changes to investment policy, if any; please provide examples of stocks added that meet your investment criteria
- Performance overview
- Attribution analysis (sector and security selection effects)
- Detractors/contributors to performance (individual stocks)
- Portfolio characteristics
- Discuss changes made to the portfolio
- Discuss current portfolio positioning
- Discuss your exposure to emerging markets
- Discuss currency management
- Describe how you measure and control portfolio investment risk
- Discuss capacity issues
- Report how you integrate environmental, social and governance factors in your investment process and the impact on your portfolio and investment strategy

**5) COMPLIANCE (10 Min):**

- Confirm that all investments managed by AllianceBernstein on behalf of UWO are in compliance with the terms and conditions of the Investment Manager Mandate and in compliance with all applicable laws
- Describe any material litigation to which your firm, key personnel or the funds have been party over the past year
- Describe any material issue raised as a result of recent regulatory reviews
- Confirm that your key investment personnel complies with an appropriate code of ethics
- Confirm that any conflict of interest or potential conflict of interest involving AllianceBernstein or key investment personnel has been disclosed