

Performance and Manager Review Third Quarter 2012

The University of Western Ontario Pension Plan

Presented by: Bruce Curwood, MBA, CFA, CIMA, Acc.Dir.
Director, Investment Strategy

DECEMBER 3RD, 2012

Executive Summary

Third Quarter 2012

University of Western Ontario Pension Executive Summary Q3 2012 Performance

- In Q3 equity markets saw moderate advances, buoyed by central bank action and improved macro developments. Equity markets globally benefitted in Q3 including Canadian (+7.0%), US (Russell 1000 +2.6), EAFE (+3.3%), and Emerging Markets (+4.1%). In addition, bonds returns were positive with the DEX Universe returning a modest +1.2%. However, it was a most challenging quarter for Canadian active managers as it was a narrow market, with mainly, two large, cyclical sectors outperforming.
- As a result, in the third quarter of 2012, the UWO Balanced Growth Fund returned +3.54% (-36 bps value lost), while the UWO Balanced Income Fund returned +2.57% (+4 bps value added). The UWO Diversified Bond Fund performed well in Q3 with a return of +1.96% and value added of +46bps, while the UWO Diversified Equity Fund provided a quarterly return of +4.34% (-59 bps value lost). The EAFE Equity Fund underperformed again (-149 bps value lost) lead by the poor performance of Alliance Bernstein (-225 bps value lost), while the Global Equity Fund outperformed policy by +54 bps.
- Year to date 2012 the balanced funds are showing mixed results relative to their benchmarks with the UWO Balanced Growth Fund losing -19 bps of value while the UWO Balanced Income Fund has added +43 bps of value. Active Canadian equity managers overall underperformed the market by -95 bps in the quarter, however Canadian active management performance remains strong year to date as +115 bps of value have been added.
- Over a four year period ending September 30th 2012 the UWO Diversified Bond Fund provided a positive return of 8.6%, with value added of +1.5%, while the UWO Diversified Equity Fund returned +2.8%, with -0.9% value lost through active management. Alliance Bernstein (since terminated in the Canadian Equity Fund) but still present in the EAFE Fund (-5.7% value lost compounded over 4 years) has been the major source of concern for both equity sub asset classes.

Capital Markets Commentary

Third Quarter 2012

Third-Quarter 2012 Market Overview (Risk On)

Investor confidence improved as the third quarter progressed, despite ongoing European sovereign debt and banking issues, the tepid U.S. recovery and signs of a slowing economy in China. This was largely due to the actions (eg QE3) taken by a number of central banks around the world in an effort to boost economic growth.

European and Chinese policymakers commit to economic growth

European leaders continued to work their way through that region's sovereign debt and banking issues during the quarter. Yet that region's economic prospects were mixed: as the situation in Greece appeared to steady, Spain's deteriorated. Spain is battling high levels of unemployment and looming austerity measures, and is widely expected to request financial assistance.

The European Central Bank announced a program to purchase sovereign bonds from some of the region's most-troubled states, which helped ease investor concerns. Meanwhile, policymakers in China continue to balance inflationary pressures with pro-growth initiatives. Although these are ambitious goals, growing investor confidence in China suggests they believe policies are heading in the right direction. As a result, EAFE equity markets were up +3.3% in the quarter, while emerging equities performed slightly better up +4.1%

U.S. Federal Reserve takes action and equity markets respond positively

Despite ongoing investor concern about the short-term future of the U.S. economy – the result of that country's high unemployment figures and significant levels of consumer and government debt – investor sentiment has improved, largely due to the U.S. Federal Reserve Board's third round of quantitative easing. It is also important to note that although the U.S. economy may still appear weak, it has managed 12 consecutive quarters of modest economic growth.

Key U.S. equity markets, including the Russell 1000® Index (=2.6%), posted positive returns over the period.

To help boost economic growth, the Fed announced it would purchase \$40 billion of mortgage debt monthly to increase market liquidity until levels of U.S. unemployment significantly declined. The Fed also held its federal funds rate in the 0% to 0.25% range, and extended its commitment to hold the rate at these low levels until mid-2015 (from mid-2014).

Capital Markets Commentary

Third Quarter 2012

Canadian equity and bond markets benefit from a sound local economy

The Canadian equity market – as measured by the S&P/TSX Composite Index – was the best performer, returning +7.0% in the third quarter. Investor sentiment toward the commodity-laden Canadian equity market improved. Commodity prices were buoyed by monetary reflation trends, lifting prospects of the manufacturing industry, as well as companies in the energy and materials sectors (gold stocks +18%). This narrow, concentrated market led to one of the worst quarters in history for Canadian active managers.

The Canadian bond market – as measured by the DEX Universe Bond Index – rose +1.2% over the period, a slightly muted return compared to some recent quarters. This was because investors became increasingly willing to move their assets into investments that are generally perceived as more risky, such as equities.

The Bank of Canada (BoC) held its key overnight lending rate at 1.0% as the country's inflation rate remains within the central bank's target range.

| | 3rd Quarter 2012 | 1 Year | 4 Years |
|--------------------|------------------------------------|---------------|----------------|
| S&P/TSX Composite | 7.02% | +9.17% | +4.25% |
| Russell 3000 | +2.53% | +22.94% | +5.91% |
| MSCI EAFE | +3.26% | +7.96% | +0.92% |
| DEX Universe Bonds | +1.24% | +5.45% | +7.43% |
| CPI (Inflation) | 0.33% | +1.16% | +1.33% |

Capital Market Returns (In Canadian \$)

Periods Ending September 30, 2012

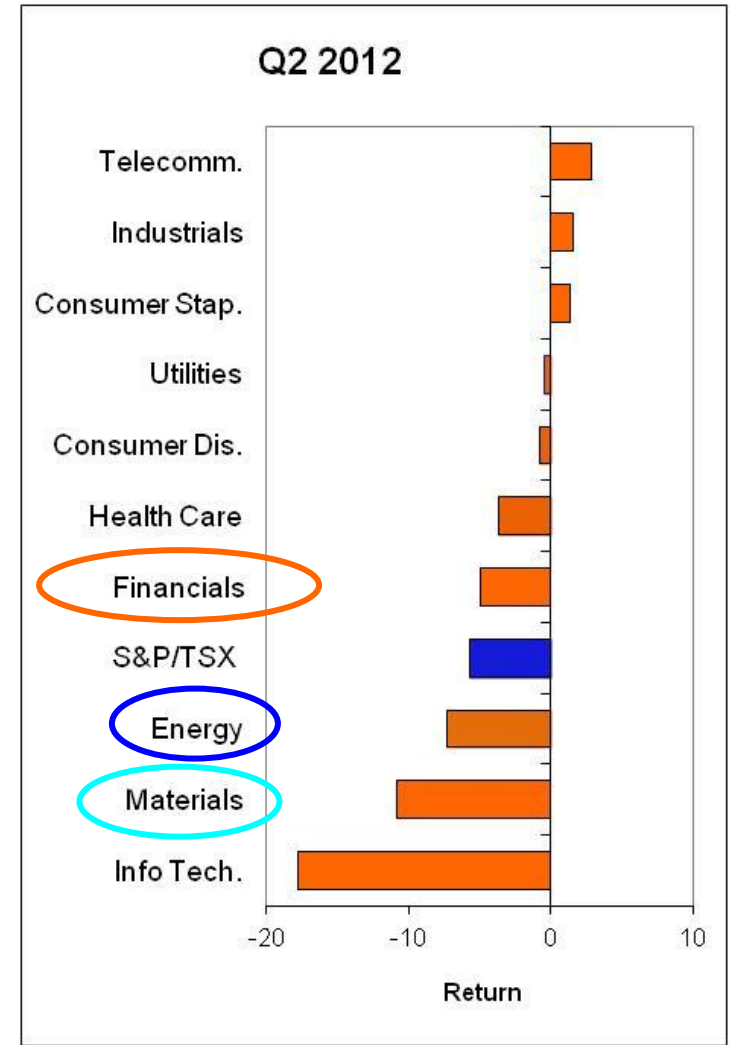
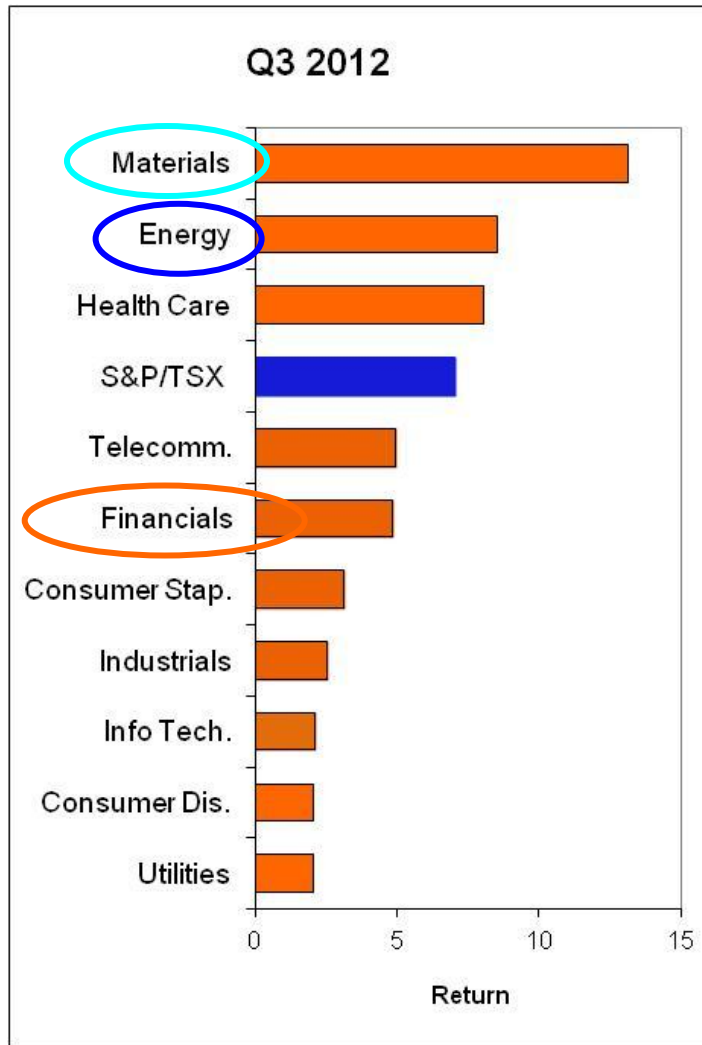
| | 3 Mths | YTD | 1 Yr | 2 Yrs | Annualized | | | Rolling One Year Ending Current Qtr | | | |
|-------------------------------|--------|-------|--------|--------|------------|-------|--------|-------------------------------------|--------|---------|---------|
| | | | | | 3 Yrs | 4 Yrs | 5 Yrs | 2011 | 2010 | 2009 | 2008 |
| S&P/TSX Composite | 7.02 | 5.38 | 9.17 | 2.61 | 5.52 | 4.25 | 0.22 | (3.55) | 11.60 | 0.51 | (14.40) |
| MSCI Canada Value | 6.97 | 7.08 | 10.58 | 4.47 | 6.13 | 5.83 | 1.58 | (1.30) | 9.52 | 4.94 | (13.76) |
| MSCI Canada Growth | 6.59 | 3.53 | 6.15 | (1.31) | 1.45 | 0.29 | (2.32) | (8.24) | 7.20 | (3.11) | (12.12) |
| DEX Universe Bonds | 1.24 | 3.29 | 5.45 | 6.06 | 6.48 | 7.43 | 6.86 | 6.66 | 7.33 | 10.34 | 4.62 |
| DEX Long Term Bonds | 1.91 | 5.05 | 10.24 | 10.74 | 11.26 | 11.57 | 9.64 | 11.24 | 12.30 | 12.52 | 2.23 |
| DEX 91 Day T-Bill | 0.24 | 0.72 | 0.94 | 0.98 | 0.78 | 0.90 | 1.45 | 1.02 | 0.38 | 1.26 | 3.69 |
| BC Aggregate Bd (\$Cdn) | (1.95) | 0.49 | (0.70) | 3.04 | 3.15 | 5.20 | 6.32 | 6.93 | 3.38 | 11.61 | 10.90 |
| S&P 500 | 2.65 | 12.52 | 22.94 | 12.39 | 9.97 | 5.73 | 0.85 | 2.74 | 5.29 | (6.02) | (16.52) |
| S&P 500 \$Cdn Hedged | 6.49 | 16.52 | 29.96 | 14.54 | 12.53 | 5.98 | (0.39) | 0.95 | 8.60 | (11.47) | (22.25) |
| S&P 400 MidCap | 1.77 | 9.94 | 21.37 | 10.32 | 11.07 | 7.59 | 3.62 | 0.28 | 12.57 | (2.19) | (10.85) |
| S&P 400 MidCap \$Cdn Hdgd (1) | 5.59 | 13.80 | 28.11 | 12.18 | 13.43 | 7.34 | 1.91 | (1.77) | 15.98 | (9.04) | (17.18) |
| Russell 1000 | 2.61 | 12.37 | 22.80 | 12.19 | 10.04 | 6.00 | 1.03 | 2.50 | 5.86 | (5.25) | (16.65) |
| Russell 2000 | 1.59 | 10.38 | 24.55 | 10.48 | 9.76 | 4.82 | 2.01 | (2.01) | 8.34 | (8.69) | (8.50) |
| Russell 3000 | 2.53 | 12.21 | 22.94 | 12.06 | 10.02 | 5.91 | 1.10 | 2.14 | 6.06 | (5.53) | (16.03) |
| Russell 3000 \$Cdn Hedged | 6.37 | 16.19 | 29.92 | 14.14 | 12.52 | 6.04 | (0.23) | 0.29 | 9.35 | (11.24) | (21.84) |
| Russell 3000 Value | 2.74 | 11.74 | 23.74 | 10.86 | 8.64 | 3.66 | (0.92) | (0.68) | 4.33 | (9.95) | (17.29) |
| Russell 3000 Growth | 2.32 | 12.66 | 22.14 | 13.26 | 11.42 | 8.10 | 3.01 | 5.02 | 7.83 | (1.26) | (15.05) |
| MSCI EAFE | 3.26 | 6.87 | 7.96 | (0.07) | (0.34) | 0.92 | (4.96) | (7.50) | (0.87) | 4.78 | (25.24) |
| MSCI EAFE Value | 3.81 | 6.52 | 7.02 | (0.79) | (2.39) | 0.36 | (5.92) | (8.03) | (5.52) | 9.09 | (27.37) |
| MSCI EAFE Growth | 2.70 | 7.12 | 8.80 | 0.57 | 1.69 | 1.41 | (4.07) | (7.05) | 3.97 | 0.58 | (23.17) |
| MSCI EAFE \$Cdn Hedged | 4.84 | 9.83 | 14.46 | 1.30 | 1.57 | 0.41 | (6.44) | (10.36) | 2.11 | (2.97) | (29.50) |
| MSCI Emerging Mkts | 4.13 | 8.54 | 10.79 | (2.71) | 2.93 | 7.08 | (1.18) | (14.56) | 15.22 | 20.58 | (28.32) |
| CPI | 0.33 | 1.50 | 1.16 | 2.16 | 2.08 | 1.33 | 1.74 | 3.17 | 1.92 | (0.86) | 3.40 |

(1) S&P 400 MidCap \$Cdn Hedged Index is the exclusive property of Standard & Poor's Financial Services LLC (S&P). Russell has contracted with S&P to maintain and calculate the Index. S&P and its affiliates shall have no liability for any errors or omissions in calculating the Index.

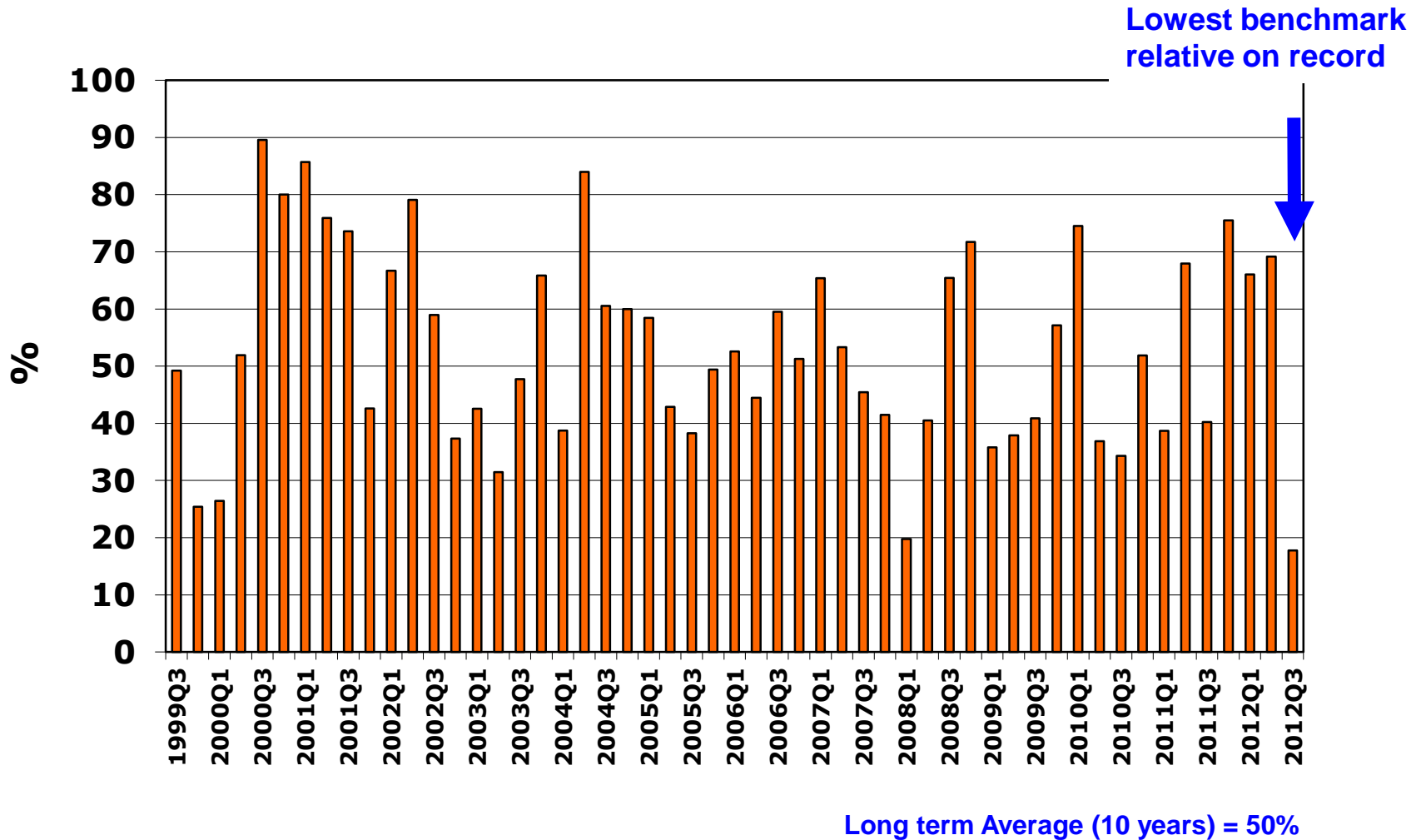
Sector Performance:

Q3 2012 Sector Returns versus Q2 2012

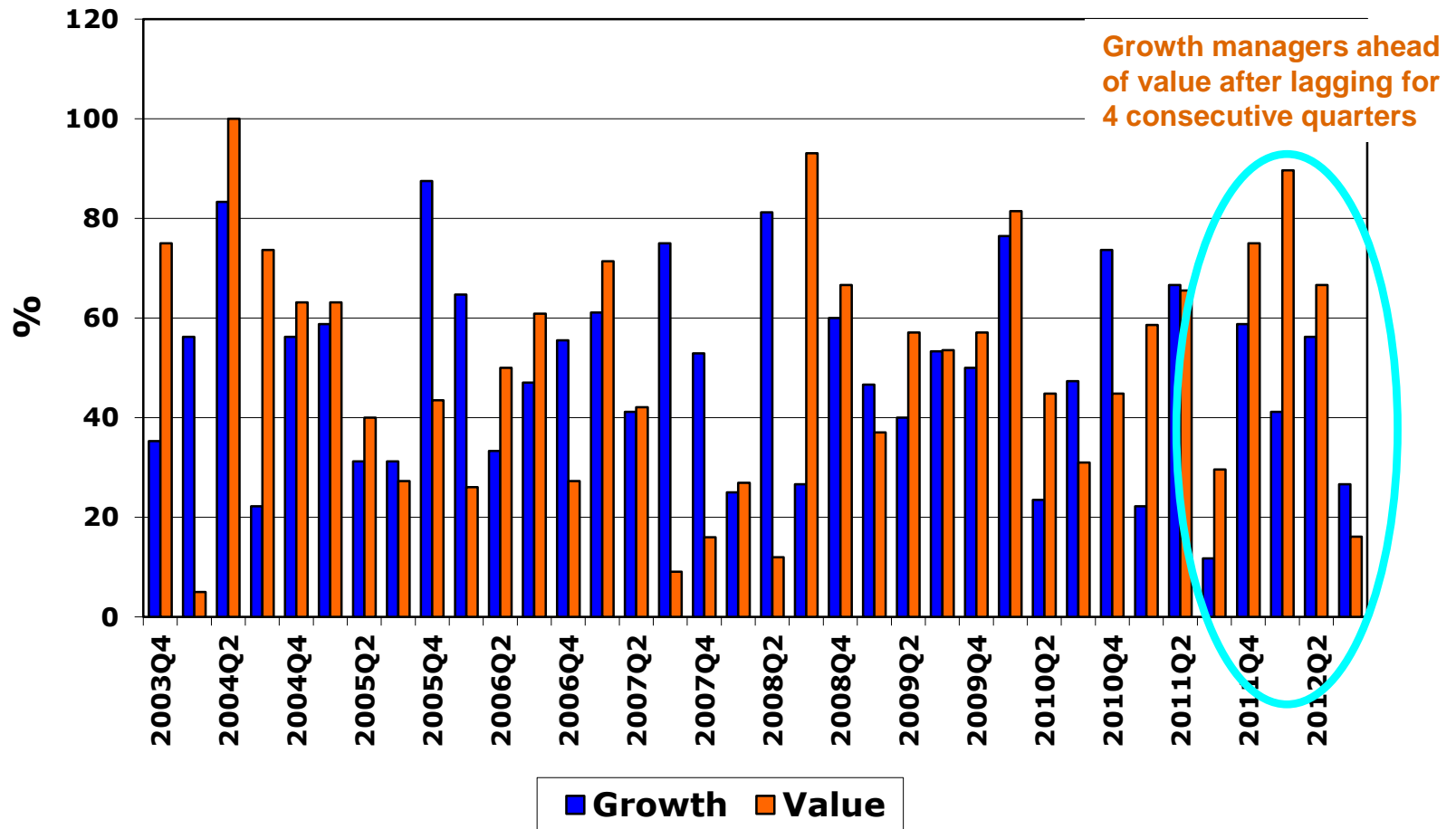
Low sector breadth with only three ahead of TSX -- strength in Energy and Materials challenging for managers.



The Active Management Environment: % of Large Cap Managers that Outperformed



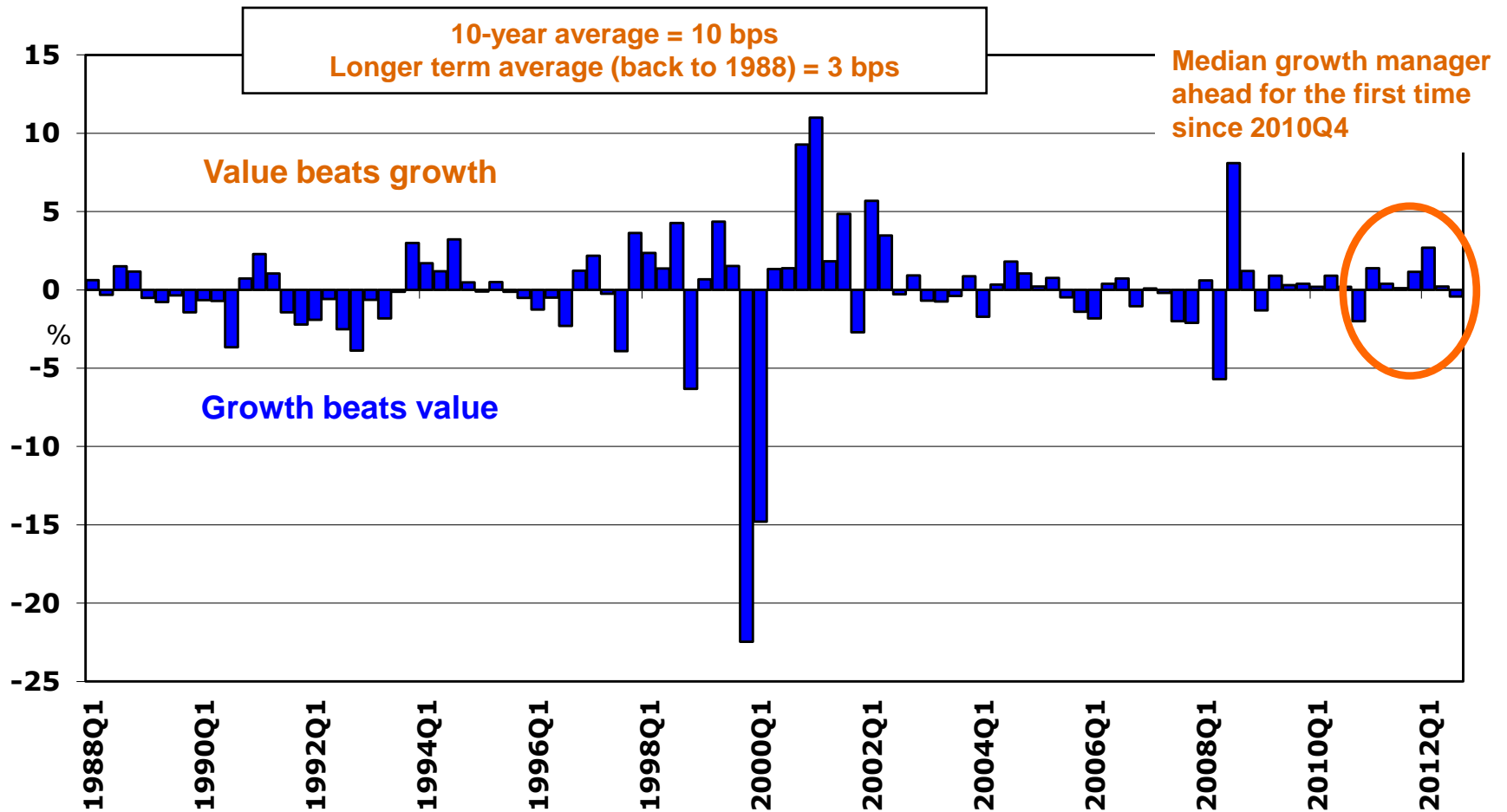
The Active Management Environment: % Of Growth and Value Managers That Have Outperformed



10-Year Average Growth = 49%

10-Year Average Value = 51%

Large Cap Median Manager Returns: Value Minus Growth



Fund and Manager Review

Tab

1. Asset and Performance Summary
2. Balanced Funds
3. Equity Funds
4. Fixed Income Funds
5. Money Market Fund
6. Target Date Funds

1. Asset and Performance Summary



University of Western Ontario (Pension Plan)

Asset Summary

As of September 30, 2012

| | Total Market Value | % of Total Fund | % of Asset Class | Equity | | Fixed Income | | Cash & Equivalents | | Alternatives | |
|--------------------------------|-----------------------|-----------------------|------------------------|---------------|---------------|--------------|-------|--------------------|------|--------------|------|
| Total | 1,097.79 | 100.00% | 100.0% | \$ 572.1 | 52.1% | \$ 459.4 | 41.8% | \$ 66.3 | 6.0% | \$ - | 0.0% |
| Diversified Equity Fund | 453.82 | 41.34% | 100.0% | 453.82 | 100.0% | | | | | | |
| Canadian Stocks | 136.29 | 12.42% | 100.0% | 136.29 | 100.0% | | | | | | |
| Beutel, Goodman Cap | 44.89 | 4.09% | 32.9% | 44.89 | 100.0% | | | | | | |
| Connor, Clark & Lunn | 45.68 | 4.16% | 33.5% | 45.68 | 100.0% | | | | | | |
| Greystone Cap. | 45.73 | 4.17% | 33.5% | 45.73 | 100.0% | | | | | | |
| US Equity | 102.25 | 9.31% | 100.0% | 102.25 | 100.0% | | | | | | |
| Pan Agora | 11.43 | 1.04% | 11.2% | 11.43 | 100.0% | | | | | | |
| SSGA S&P 400 Midcap | 11.27 | 1.03% | 11.0% | 11.27 | 100.0% | | | | | | |
| SSGA S&P 500 | 79.55 | 7.25% | 77.8% | 79.55 | 100.0% | | | | | | |
| Non North American | 136.18 | 12.40% | 100.0% | 136.18 | 100.0% | | | | | | |
| Alliance Bernstein | 67.98 | 6.19% | 49.9% | 67.98 | 100.0% | | | | | | |
| MFS Intl Equity Fd | 68.19 | 6.21% | 50.1% | 68.19 | 100.0% | | | | | | |
| Global Stocks | 79.09 | 7.20% | 100.0% | 79.09 | 100.0% | | | | | | |
| Harris Assoc. | 39.06 | 3.56% | 49.4% | 39.06 | 100.0% | | | | | | |
| T Rowe Price | - | 0.00% | 0.0% | 0.00 | 100.0% | | | | | | |
| TRP Global Large Cap | 40.03 | 3.65% | 50.6% | 40.03 | 100.0% | | | | | | |
| Canadian Equity Fund | 74.55 | 6.79% | 100.0% | 74.55 | 100.0% | | | | | | |
| Beutel, Goodman Cap | 24.58 | 2.24% | 33.0% | 24.58 | 100.0% | | | | | | |
| Connor, Clark & Lunn | 24.90 | 2.27% | 33.4% | 24.90 | 100.0% | | | | | | |
| Greystone Cap. | 25.07 | 2.28% | 33.6% | 25.07 | 100.0% | | | | | | |
| US Equity Hedged | 15.81 | 1.44% | 100.0% | 15.81 | 100.0% | | | | | | |
| SSGA Northwater Hedged | 15.81 | 1.44% | 100.0% | 15.81 | 100.0% | | | | | | |

Source: Northern Trust

University of Western Ontario (Pension Plan)

Asset Summary

As of September 30, 2012

| | Total Market Value | % of Total Fund | % of Asset Class | Equity | Fixed Income | Cash & Equivalents | Alternatives |
|--------------------------------------|-----------------------|-----------------------|------------------------|--------------|---------------|--------------------|--------------|
| US Equity Unhedged | 12.08 | 1.10% | 100.0% | 12.08 | | | |
| SSGA Northwater Unhedged | 12.08 | 1.10% | 100.0% | 12.08 | | | |
| EAFE Fund | 12.65 | 1.15% | 100.0% | 12.65 | | | |
| Alliance Bernstein | 6.28 | 0.57% | 49.7% | 6.28 | | | |
| MFS Intl Equity Fd | 6.37 | 0.58% | 50.3% | 6.37 | | | |
| Aberdeen Scly Rspnsble Gbl Fd | 3.23 | 0.29% | 100.0% | 3.23 | | | |
| Aberdeen Scly Rspnsble Gbl Fd | 3.23 | 0.29% | 100.0% | 3.23 | | | |
| Target Date Funds | 55.97 | 5.10% | 100.0% | | 55.97 | 100.0% | |
| TDF 2012 | (0.00) | 0.00% | 0.0% | | 0.00 | 100.0% | |
| TDF 2014 | 26.23 | 2.39% | 46.9% | | 26.23 | 100.0% | |
| TDF 2016 | 19.25 | 1.75% | 34.4% | | 19.25 | 100.0% | |
| TDF 2018 | 10.49 | 0.96% | 18.7% | | 10.49 | 100.0% | |
| Canadian Bond Fund | 73.62 | 6.71% | 100.0% | | 73.62 | 100.0% | |
| SSGA Canadian Bond Fund | 73.62 | 6.71% | 100.0% | | 73.62 | 100.0% | |
| Long Term Bond Fund | 35.89 | 3.27% | 100.0% | | 35.89 | 100.0% | |
| SSGA Long Term Bond Fund | 35.89 | 3.27% | 100.0% | | 35.89 | 100.0% | |
| Diversified Bond Fund | 273.32 | 24.90% | 100.0% | | 273.32 | 100.0% | |
| Alliance Bernstein | 164.65 | 15.00% | 60.2% | | 164.65 | 100.0% | |
| Romspen Mortgage Investment Fd | 40.72 | 3.71% | 14.9% | | 40.72 | 100.0% | |
| SSGA | 67.94 | 6.19% | 24.9% | | 67.94 | 100.0% | |
| Liquidating Trust | 14.80 | 1.35% | 100.0% | | 14.80 | 100.0% | |
| Operating Account | 14.80 | 1.35% | 100.0% | | 14.80 | 100.0% | |

Source: Northern Trust

University of Western Ontario (Pension Plan)

Asset Summary

As of September 30, 2012

| | Total Market Value | % of Total Fund | % of Asset Class | Equity | Fixed Income | Cash & Equivalents | Alternatives |
|----------------------------|-----------------------|-----------------------|------------------------|--------|--------------|--------------------|---------------|
| Money Market Fund | 66.28 | 6.04% | 100.0% | | | 66.28 | 100.0% |
| SSGA MMF | 66.28 | 6.04% | 100.0% | | | 66.28 | 100.0% |
| Immunized Bond Fund | 5.76 | 0.52% | 100.0% | | 5.76 | 100.0% | |
| Acad. Imm. Bd. Fund | 4.03 | 0.37% | 69.9% | | 4.03 | 100.0% | |
| Immunized Bond Fund | 1.73 | 0.16% | 30.1% | | 1.73 | 100.0% | |
| Cash | (0.00) | 0.00% | 100.0% | | | 0.00 | 100.0% |

All dollars in millions, numbers may not add due to rounding

**University of Western Ontario
Performance Summary
Period Ending September 30, 2012**

| Account / Group Name | Market Value | 3 Mos RoR | YTD RoR | Annualized | | | | | |
|--------------------------------------|-------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| | | | | 1 Yr RoR | 2 Yr RoR | 3 Yr RoR | 4 Yr RoR | 5 Yr RoR | 10 Yr RoR |
| University of Western Ontario | 1,097,787,904.48 | 3.11 | 6.34 | 9.94 | 4.50 | 5.02 | 4.68 | 0.88 | 5.76 |
| UWO Balanced Growth Policy | | 3.90 | 7.49 | 11.81 | 5.36 | 5.73 | 5.03 | 1.26 | 6.33 |
| Dex bond universe index | | 1.24 | 3.29 | 5.45 | 6.06 | 6.48 | 7.43 | 6.86 | 6.18 |
| Diversified Equity Fund | 453,819,458.69 | 4.34 | 8.69 | 13.94 | 3.41 | 4.44 | 2.84 | -2.72 | 5.78 |
| UWO Div. Equity Fund Policy | | 4.93 | 8.87 | 14.23 | 4.96 | 5.23 | 3.72 | -1.33 | 6.39 |
| S&P/TSX Equity Index (CAD) | | 7.09 | 5.12 | 8.78 | 1.98 | 4.78 | 3.87 | -0.47 | 9.76 |
| Canadian Stocks | 136,294,034.49 | 6.07 | 6.53 | 11.13 | 2.38 | -- | -- | -- | -- |
| S&P / TSX 300 Composite | | 7.02 | 5.38 | 9.17 | 2.61 | -- | -- | -- | -- |
| Beutel, Goodman Cap | 44,887,178.43 | 4.42 | 6.43 | 12.54 | 3.74 | 5.66 | -- | -- | -- |
| S&P / TSX 300 Composite | | 7.02 | 5.38 | 9.17 | 2.61 | 5.52 | -- | -- | -- |
| Connor, Clark & Lunn | 45,680,648.18 | 7.35 | 6.83 | 11.89 | 4.24 | 7.42 | 5.85 | 1.25 | -- |
| S&P / TSX 300 Composite | | 7.02 | 5.38 | 9.17 | 2.61 | 5.52 | 4.25 | 0.22 | -- |
| Greystone Cap. | 45,726,207.88 | 6.44 | 6.32 | 8.96 | -0.59 | 3.80 | 1.37 | -3.26 | -- |
| S&P / TSX 300 Composite | | 7.02 | 5.38 | 9.17 | 2.61 | 5.52 | 4.25 | 0.22 | -- |
| US Equity | 102,253,360.02 | 6.07 | 15.55 | 29.07 | 13.73 | 12.45 | 6.90 | 0.76 | 5.53 |
| UWO US Equity Policy | | 5.85 | 15.56 | 29.19 | 13.83 | 12.36 | 6.09 | 0.60 | 5.54 |
| S&P 500 C\$ Hedged | | 6.49 | 16.52 | 29.95 | 14.49 | 12.50 | 5.95 | -0.41 | 7.13 |
| Pan Agora | 11,430,459.28 | 3.86 | 12.62 | 30.36 | 13.21 | 11.64 | 5.98 | 0.58 | -- |
| Russell 2000 | | 1.59 | 10.38 | 24.55 | 10.48 | 9.76 | 4.82 | 2.01 | -- |
| SSGA S&P 400 Midcap | 11,273,641.20 | 5.50 | 13.51 | 27.07 | 11.56 | 12.81 | -- | -- | -- |
| S&P 400 Hgd CAD | | 5.59 | 13.80 | 28.11 | 12.18 | 13.43 | -- | -- | -- |
| SSGA S&P 500 | 79,549,259.54 | 6.46 | 16.24 | 29.16 | 14.08 | 12.44 | -- | -- | -- |
| S&P 500 C\$ Hedged | | 6.49 | 16.52 | 29.95 | 14.49 | 12.50 | -- | -- | -- |
| Non North American | 136,178,046.39 | 1.77 | 4.92 | 5.47 | -2.73 | -2.73 | -1.61 | -7.63 | 3.32 |
| MSCI EAFE GD | | 3.26 | 6.87 | 7.96 | -0.07 | -0.34 | 0.92 | -4.96 | 3.62 |
| Alliance Bernstein | 67,983,301.08 | 1.01 | 1.20 | 0.49 | -6.56 | -6.56 | -4.77 | -10.99 | 1.70 |
| MFS Intl Equity Fund | 68,194,745.31 | 2.53 | -- | -- | -- | -- | -- | -- | -- |
| Global Stocks | 79,094,017.79 | 3.65 | 10.05 | 14.98 | 2.90 | 3.76 | 3.90 | -- | -- |
| MSCI World GD | | 3.11 | 9.73 | 15.50 | 6.22 | 4.99 | 3.54 | -- | -- |
| Harris Assoc. | 39,063,630.51 | 2.41 | 8.22 | 13.09 | 3.50 | 3.53 | 6.68 | -- | -- |
| T Rowe Price | - | 1.90 | 8.70 | 13.62 | 0.77 | 2.99 | 0.36 | -- | -- |
| TRP Global Large Cap | 40,030,387.28 | 4.88 | -- | -- | -- | -- | -- | -- | -- |

Source: Northern Trust

University of Western Ontario
Performance Summary
Period Ending September 30, 2012

| Account / Group Name | Market Value | 3 Mos RoR | YTD RoR | Annualized | | | | | |
|--------------------------------------|-----------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| | | | | 1 Yr RoR | 2 Yr RoR | 3 Yr RoR | 4 Yr RoR | 5 Yr RoR | 10 Yr RoR |
| Canadian Equity Fund | 74,553,084.38 | 6.07 | 6.52 | 10.93 | 2.32 | 5.25 | 3.16 | -1.52 | 8.95 |
| Beutel, Goodman Cap | 24,583,584.93 | 4.42 | 6.44 | 12.58 | 3.77 | 5.59 | -- | -- | -- |
| Connor, Clark & Lunn | 24,899,547.28 | 7.35 | 6.82 | 11.58 | 4.06 | 7.30 | 5.79 | 1.19 | -- |
| Greystone Cap. | 25,069,952.17 | 6.46 | 6.30 | 8.63 | -0.74 | 3.68 | 1.28 | -3.33 | -- |
| US Equity Hedged | 15,806,695.57 | 6.47 | 16.16 | 29.22 | 14.08 | 12.49 | 6.58 | -0.53 | 7.07 |
| S&P 500 C\$ Hedged | | 6.49 | 16.52 | 29.95 | 14.49 | 12.50 | 5.95 | -0.41 | 7.13 |
| SSGA Northwater Hedged | 15,806,695.57 | 6.47 | 16.16 | 29.22 | 14.08 | 12.49 | 6.58 | -0.53 | 7.07 |
| US Equity Unhedged | 12,077,468.74 | 2.66 | 12.56 | 22.98 | 12.42 | 9.82 | 5.52 | 0.51 | 2.69 |
| S&P 500 | | 2.65 | 12.52 | 22.94 | 12.39 | 9.97 | 5.73 | 0.85 | 2.98 |
| SSGA Northwater Unhedged | 12,077,468.74 | 2.66 | 12.56 | 22.98 | 12.42 | 9.82 | 5.52 | 0.51 | 2.69 |
| EAFE Fund | 12,654,801.94 | 2.76 | 5.95 | 6.41 | -2.29 | -2.21 | -1.36 | -7.39 | 3.76 |
| Alliance Bernstein | 6,284,782.79 | 1.05 | 1.22 | 0.32 | -6.62 | -6.01 | -4.34 | -10.70 | -- |
| MFS Intl Equity Fund | 6,370,019.15 | 4.39 | 10.71 | 12.66 | 1.95 | 1.58 | 2.14 | -3.69 | -- |
| Aberdeen Scly Rspnsble Gbl Fd | 3,230,312.28 | 3.67 | -- | -- | -- | -- | -- | -- | -- |
| Aberdeen Scly Rspnsble Gbl Fd | 3,230,312.28 | 3.67 | -- | -- | -- | -- | -- | -- | -- |
| Target Date Funds | 55,973,950.51 | 0.62 | 1.31 | 1.96 | 3.15 | 3.62 | 4.49 | 4.58 | 4.37 |
| TDF 2012 | (2,424.33) | -- | -- | -- | -- | -- | -- | -- | -- |
| TDF 2014 | 26,231,824.68 | 0.42 | 1.01 | 1.55 | 3.10 | 4.08 | 5.42 | -- | -- |
| TDF 2016 | 19,253,831.60 | 0.74 | 1.57 | 2.90 | 4.85 | -- | -- | -- | -- |
| TDF 2018 | 10,490,718.56 | 0.89 | -- | -- | -- | -- | -- | -- | -- |
| Canadian Bond Fund | 73,622,327.42 | 1.27 | 3.32 | 5.48 | 6.10 | 6.46 | 7.50 | 6.89 | -- |
| Dex bond universe index | | 1.24 | 3.29 | 5.45 | 6.06 | 6.48 | 7.43 | 6.86 | -- |
| SSGA Canadian Bond Fund | 73,622,327.42 | 1.27 | 3.32 | 5.48 | 6.10 | 6.46 | 7.50 | 6.89 | -- |
| Long Term Bond Fund | 35,891,096.51 | 1.93 | 5.05 | 10.23 | 10.68 | 11.20 | 11.58 | 9.65 | -- |
| Dex LTB Overall | | 1.91 | 5.05 | 10.24 | 10.74 | 11.26 | 11.57 | 9.64 | -- |
| SSGA Long Term Bond Fund | 35,891,096.51 | 1.93 | 5.05 | 10.23 | 10.68 | 11.20 | 11.58 | 9.65 | -- |
| Dex LTB Overall | | 1.91 | 5.05 | 10.24 | 10.74 | 11.26 | 11.57 | 9.64 | -- |
| Diversified Bond Fund | 273,320,310.13 | 1.96 | 4.95 | 7.04 | 6.61 | 7.83 | 8.60 | 6.91 | 5.75 |
| UWO Diversified Bond Policy | | 1.50 | 3.95 | 5.77 | 5.72 | 6.20 | 7.14 | 6.55 | 5.52 |
| Alliance Bernstein | 164,654,704.18 | 2.17 | 5.66 | 7.70 | 6.82 | 8.51 | 9.24 | 7.01 | -- |
| UWO AllianceBernstein | | 1.71 | 4.35 | 6.01 | 5.59 | 6.09 | 7.01 | 6.41 | -- |

Source: Northern Trust

**University of Western Ontario
Performance Summary
Period Ending September 30, 2012**

| Account / Group Name | Market Value | 3 Mos RoR | YTD RoR | Annualized | | | | | |
|--------------------------------|-----------------------|-------------|--------------|--------------|--------------|---------------|--------------|-------------|-----------|
| | | | | 1 Yr RoR | 2 Yr RoR | 3 Yr RoR | 4 Yr RoR | 5 Yr RoR | 10 Yr RoR |
| Romspen Mortgage Investment Fd | 40,724,320.00 | -- | -- | -- | -- | -- | -- | -- | -- |
| Romspen Custom BM + 50 bps | | -- | -- | -- | -- | -- | -- | -- | -- |
| SSGA | 67,941,285.95 | 1.25 | 3.29 | 5.45 | 6.06 | 6.44 | 7.49 | 6.86 | -- |
| Liquidating Trust | 14,796,830.41 | 6.00 | 18.38 | 20.34 | 12.83 | -12.24 | -8.71 | -- | -- |
| Operating Account | 14,796,830.41 | 6.00 | 18.38 | 20.34 | 12.83 | -12.24 | -8.71 | -- | -- |
| Money Market Fund | 66,281,788.31 | 0.34 | 0.94 | 1.25 | 1.28 | 1.12 | 1.24 | 1.75 | -- |
| SSGA MMF | 66,281,788.31 | 0.34 | 0.94 | 1.25 | 1.28 | 1.12 | 1.24 | 1.75 | -- |
| Immunized Bond Fund | 5,761,495.61 | 0.75 | 2.28 | 4.21 | 5.47 | 5.65 | 6.27 | 6.04 | -- |
| Acad. Imm. Bd. Fund | 4,026,896.77 | 0.74 | 2.25 | 4.15 | 5.38 | -- | -- | -- | -- |
| Immunized Bond Fund | 1,734,598.84 | 0.79 | 2.34 | 4.36 | 5.70 | 5.90 | 6.46 | 6.19 | -- |
| Balanced Funds | 130,995,268.28 | 3.26 | 6.93 | 10.57 | 4.60 | -- | -- | -- | -- |
| UWO BAL GROWTH FD | 94,312,347.52 | 3.54 | 7.30 | 11.32 | 4.25 | 5.09 | 4.46 | 0.10 | 5.79 |
| UWO Balanced Growth Policy | | 3.90 | 7.49 | 11.81 | 5.36 | 5.70 | 5.00 | 1.24 | 6.32 |
| UWO INCOME FUND | 36,682,920.76 | 2.57 | 5.95 | 8.72 | 5.61 | 6.66 | 6.92 | 4.19 | 5.91 |
| UWO Balanced Income Policy | | 2.53 | 5.52 | 8.42 | 5.66 | 6.09 | 6.37 | 4.40 | 5.97 |

* Balanced Funds are not included in the University of Western Ontario total plan market value and return

Source: Northern Trust

**University of Western Ontario
Performance Summary
Period Ending September 30, 2012**

| Account / Group Name | Market Value | Annual Returns | | | | |
|--------------------------------------|-------------------------|----------------|---------------|--------------|--------------|---------------|
| | | 30-Sep-12 | 30-Sep-11 | 30-Sep-10 | 30-Sep-09 | 30-Jun-08 |
| University of Western Ontario | 1,097,787,904.48 | 9.94 | -0.67 | 6.07 | 3.67 | -12.99 |
| UWO Balanced Growth Policy | | 11.81 | -0.71 | 6.48 | 2.94 | -12.52 |
| Dex bond universe index | | 5.45 | 6.66 | 7.33 | 10.34 | 4.62 |
| Diversified Equity Fund | 453,819,458.69 | 13.94 | -6.14 | 6.54 | -1.82 | -22.13 |
| UWO Div. Equity Fund Policy | | 14.23 | -3.56 | 5.78 | -0.67 | -19.18 |
| S&P/TSX Equity Index (CAD) | | 8.78 | -4.40 | 10.61 | 1.20 | -16.09 |
| Canadian Stocks | 136,294,034.49 | 11.13 | -5.68 | -- | -- | -- |
| S&P / TSX 300 Composite | | 9.17 | -3.55 | -- | -- | -- |
| Beutel, Goodman Cap | 44,887,178.43 | 12.54 | -4.36 | 9.59 | -- | -- |
| S&P / TSX 300 Composite | | 9.17 | -3.55 | 11.60 | -- | -- |
| Connor, Clark & Lunn | 45,680,648.18 | 11.89 | -2.89 | 14.07 | 1.28 | -15.24 |
| S&P / TSX 300 Composite | | 9.17 | -3.55 | 11.60 | 0.51 | -14.40 |
| Greystone Cap. | 45,726,207.88 | 8.96 | -9.30 | 13.15 | -5.58 | -19.75 |
| S&P / TSX 300 Composite | | 9.17 | -3.55 | 11.60 | 0.51 | -14.40 |
| US Equity | 102,253,360.02 | 29.07 | 0.22 | 9.92 | -8.15 | -20.47 |
| UWO US Equity Policy | | 29.19 | 0.30 | 9.46 | -10.70 | -18.64 |
| S&P 500 C\$ Hedged | | 29.95 | 0.87 | 8.60 | -11.47 | -22.26 |
| Pan Agora | 11,430,459.28 | 30.36 | -1.68 | 8.55 | -9.33 | -18.40 |
| Russell 2000 | | 24.55 | -2.01 | 8.34 | -8.69 | -8.50 |
| SSGA S&P 400 Midcap | 11,273,641.20 | 27.07 | -2.05 | 15.35 | -- | -- |
| S&P 400 Hgd CAD | | 28.11 | -1.77 | 15.98 | -- | -- |
| SSGA S&P 500 | 79,549,259.54 | 29.16 | 0.77 | 9.24 | -- | -- |
| S&P 500 C\$ Hedged | | 29.95 | 0.87 | 8.60 | -- | -- |
| Non North American | 136,178,046.39 | 5.47 | -10.29 | -2.74 | 1.82 | -28.25 |
| MSCI EAFE GD | | 7.96 | -7.50 | -0.87 | 4.78 | -25.24 |
| Alliance Bernstein | 67,983,301.08 | 0.49 | -13.10 | -6.56 | 0.80 | -32.07 |
| MFS Intl Equity Fund | 68,194,745.31 | -- | -- | -- | -- | -- |
| Global Stocks | 79,094,017.79 | 14.98 | -7.92 | 5.50 | 4.32 | -- |
| MSCI World GD | | 15.50 | -2.32 | 2.56 | -0.70 | -- |
| Harris Assoc. | 39,063,630.51 | 13.09 | -5.28 | 3.60 | 16.69 | -- |

Source: Northern Trust

**University of Western Ontario
Performance Summary
Period Ending September 30, 2012**

Annual Returns

| Account / Group Name | Market Value | 30-Sep-12 | 30-Sep-11 | 30-Sep-10 | 30-Sep-09 | 30-Jun-08 |
|--------------------------------------|----------------------|--------------|---------------|--------------|--------------|---------------|
| T Rowe Price | - | 13.62 | -10.63 | 7.59 | -7.15 | - |
| TRP Global Large Cap | 40,030,387.28 | - | - | - | - | - |
| Canadian Equity Fund | 74,553,084.38 | 10.93 | -5.63 | 11.37 | -2.86 | -18.20 |
| Beutel, Goodman Cap | 24,583,584.93 | 12.58 | -4.36 | 9.34 | - | - |
| Connor, Clark & Lunn | 24,899,547.28 | 11.58 | -2.96 | 14.08 | 1.41 | -15.32 |
| Greystone Cap. | 25,069,952.17 | 8.63 | -9.30 | 13.11 | -5.59 | -19.75 |
| US Equity Hedged | 15,806,695.57 | 29.22 | 0.72 | 9.38 | -9.36 | -24.55 |
| S&P 500 C\$ Hedged | - | 29.95 | 0.87 | 8.60 | -11.47 | -22.26 |
| SSGA Northwater Hedged | 15,806,695.57 | 29.22 | 0.72 | 9.38 | -9.36 | -24.55 |
| US Equity Unhedged | 12,077,468.74 | 22.98 | 2.78 | 4.78 | -6.40 | -17.26 |
| S&P 500 | - | 22.94 | 2.74 | 5.29 | -6.02 | -16.52 |
| SSGA Northwater Unhedged | 12,077,468.74 | 22.98 | 2.78 | 4.78 | -6.40 | -17.26 |
| EAFE Fund | 12,654,801.94 | 6.41 | -10.29 | -2.03 | 1.25 | -28.07 |
| Alliance Bernstein | 6,284,782.79 | 0.32 | -13.08 | -4.78 | 0.83 | -32.17 |
| MFS Intl Equity Fund | 6,370,019.15 | 12.66 | -7.74 | 0.85 | 3.83 | -23.87 |
| Aberdeen Scly Rspnsble Gbl Fd | 3,230,312.28 | -- | -- | -- | -- | -- |
| Aberdeen Scly Rspnsble Gbl Fd | 3,230,312.28 | - | - | - | - | - |
| Target Date Funds | 55,973,950.51 | 1.96 | 4.36 | 4.57 | 7.14 | 4.94 |
| TDF 2012 | (2,424.33) | - | 1.98 | 2.89 | 8.27 | 7.11 |
| TDF 2014 | 26,231,824.68 | 1.55 | 4.67 | 6.06 | 9.56 | - |
| TDF 2016 | 19,253,831.60 | 2.90 | 6.83 | - | - | - |
| TDF 2018 | 10,490,718.56 | - | - | - | - | - |
| Canadian Bond Fund | 73,622,327.42 | 5.48 | 6.72 | 7.19 | 10.67 | 4.50 |
| Dex bond universe index | - | 5.45 | 6.66 | 7.33 | 10.34 | 4.62 |
| SSGA Canadian Bond Fund | 73,622,327.42 | 5.48 | 6.72 | 7.19 | 10.67 | 4.50 |
| Long Term Bond Fund | 35,891,096.51 | 10.23 | 11.13 | 12.26 | 12.70 | 2.28 |
| Dex LTB Overall | - | 10.24 | 11.24 | 12.30 | 12.52 | 2.22 |
| SSGA Long Term Bond Fund | 35,891,096.51 | 10.23 | 11.13 | 12.26 | 12.70 | 2.28 |

Source: Northern Trust

**University of Western Ontario
Performance Summary
Period Ending September 30, 2012**

Annual Returns

| Account / Group Name | Market Value | 30-Sep-12 | 30-Sep-11 | 30-Sep-10 | 30-Sep-09 | 30-Jun-08 |
|--------------------------------|-----------------------|--------------|--------------|---------------|--------------|-------------|
| Dex LTB Overall | | 10.24 | 11.24 | 12.30 | 12.52 | 2.22 |
| Diversified Bond Fund | 273,320,310.13 | 7.04 | 6.19 | 10.29 | 10.95 | 0.42 |
| UWO Diversified Bond Policy | | 5.77 | 5.66 | 7.17 | 9.99 | 4.25 |
| Alliance Bernstein | 164,654,704.18 | 7.70 | 5.96 | 11.95 | 11.48 | -1.48 |
| UWO AllianceBernstein | | 6.01 | 5.17 | 7.09 | 9.82 | 4.06 |
| Romspen Mortgage Investment Fd | 40,724,320.00 | -- | -- | -- | -- | -- |
| Romspen Custom BM + 50 bps | | -- | -- | -- | -- | -- |
| SSGA | 67,941,285.95 | 5.45 | 6.67 | 7.20 | 10.73 | 4.37 |
| Liquidating Trust | 14,796,830.41 | 20.34 | 5.79 | -46.91 | 2.78 | -- |
| Operating Account | 14,796,830.41 | 20.34 | 5.79 | -46.91 | 2.78 | -- |
| Money Market Fund | 66,281,788.31 | 1.25 | 1.32 | 0.78 | 1.60 | 3.81 |
| SSGA MMF | 66,281,788.31 | 1.25 | 1.32 | 0.78 | 1.60 | 3.81 |
| Immunized Bond Fund | 5,761,495.61 | 4.21 | 6.75 | 6.00 | 8.17 | 5.10 |
| Acad. Imm. Bd. Fund | 4,026,896.77 | 4.15 | 6.62 | -- | -- | -- |
| Immunized Bond Fund | 1,734,598.84 | 4.36 | 7.07 | 6.30 | 8.17 | 5.10 |
| Balanced Funds | 130,995,268.28 | 10.57 | -1.04 | -- | -- | -- |
| UWO BAL GROWTH FD | 94,312,347.52 | 11.32 | -2.36 | 6.77 | 2.62 | -15.60 |
| UWO Balanced Growth Policy | | 11.81 | -0.71 | 6.38 | 2.94 | -12.52 |
| UWO INCOME FUND | 36,682,920.76 | 8.72 | 2.60 | 8.77 | 7.72 | -6.07 |
| UWO Balanced Income Policy | | 8.42 | 2.98 | 6.96 | 7.22 | -3.15 |

* Balanced Funds are not included in the University of Western Ontario total plan market value and return

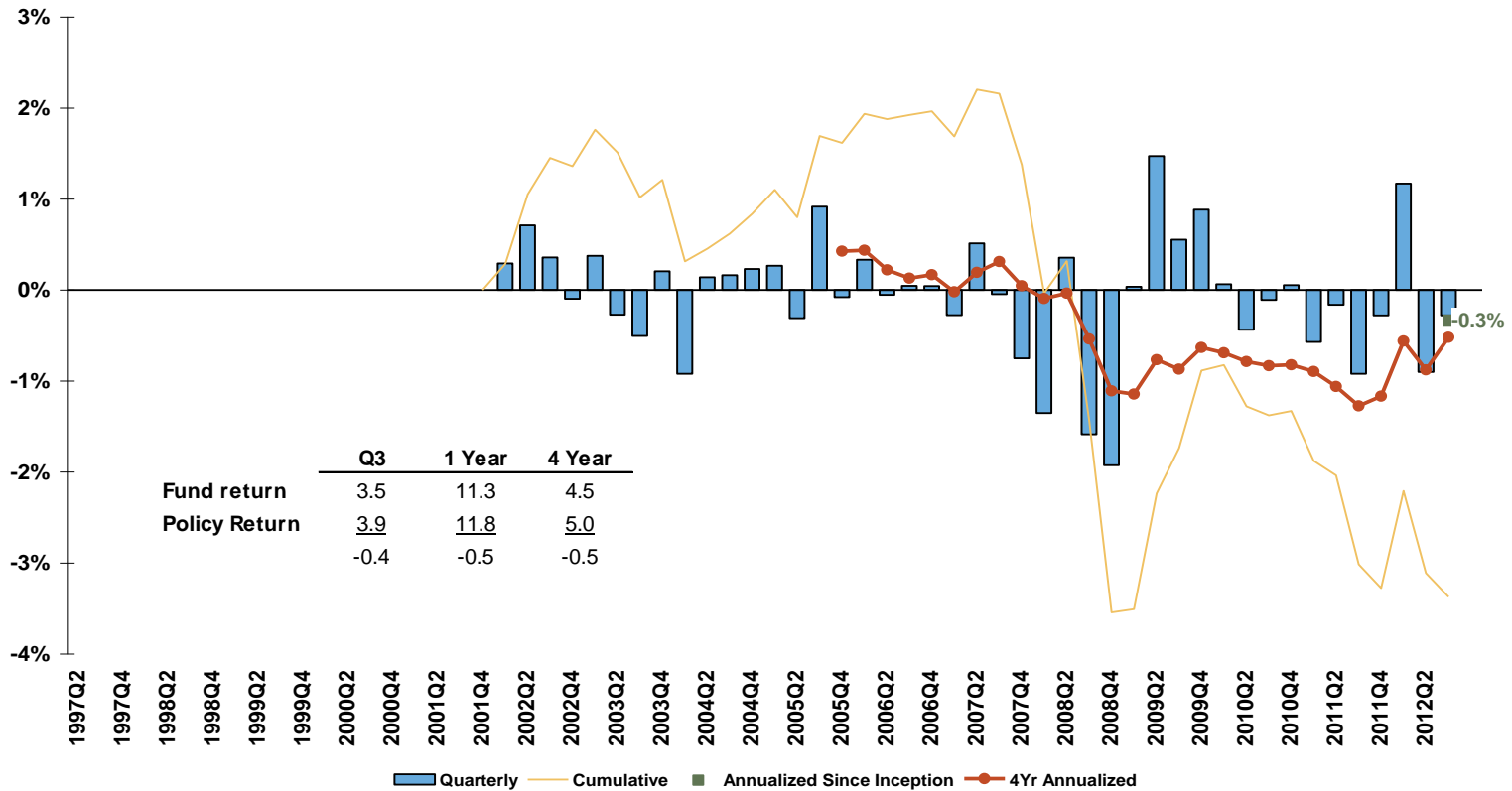
2. Balanced Funds



Balanced Growth Fund

Value Added Over Policy*

Value lost in the second quarter of -36 bps



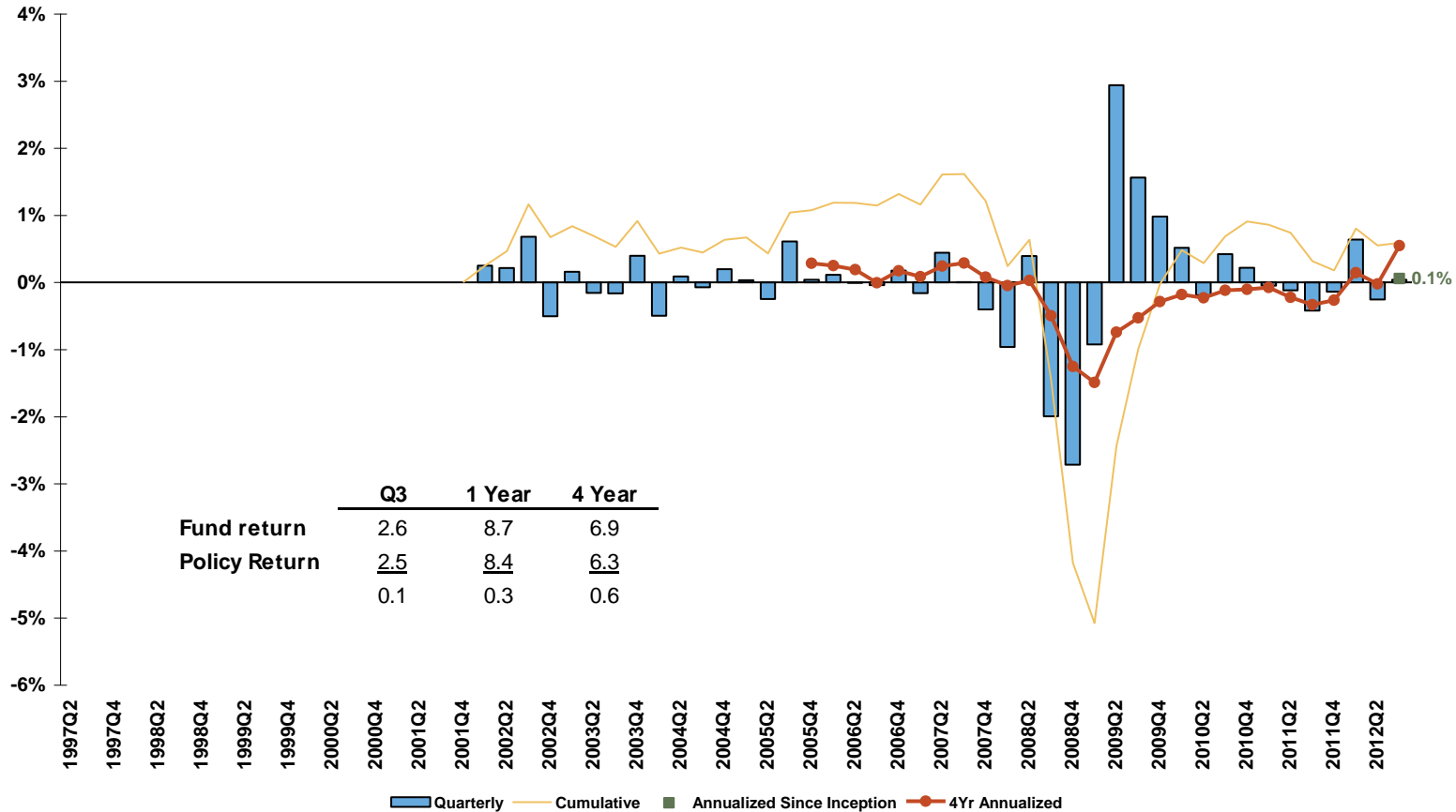
- › Value lost of -0.5% versus benchmark for the year and over 4 years
- › The absolute return of 4.5% over 4 years was however, encouraging
- › Value lost of -0.3% since inception

* Policy: 70% Diversified Equity Fund Policy, 30% Diversified Bond Fund Policy

Balanced Income Fund

Value Added Over Policy*

Value added over the quarter of +4 bps



- > Value added of +30 bps over one year
- > Value added of +0.6% over 4 years (2nd quartile) and +0.1% since inception

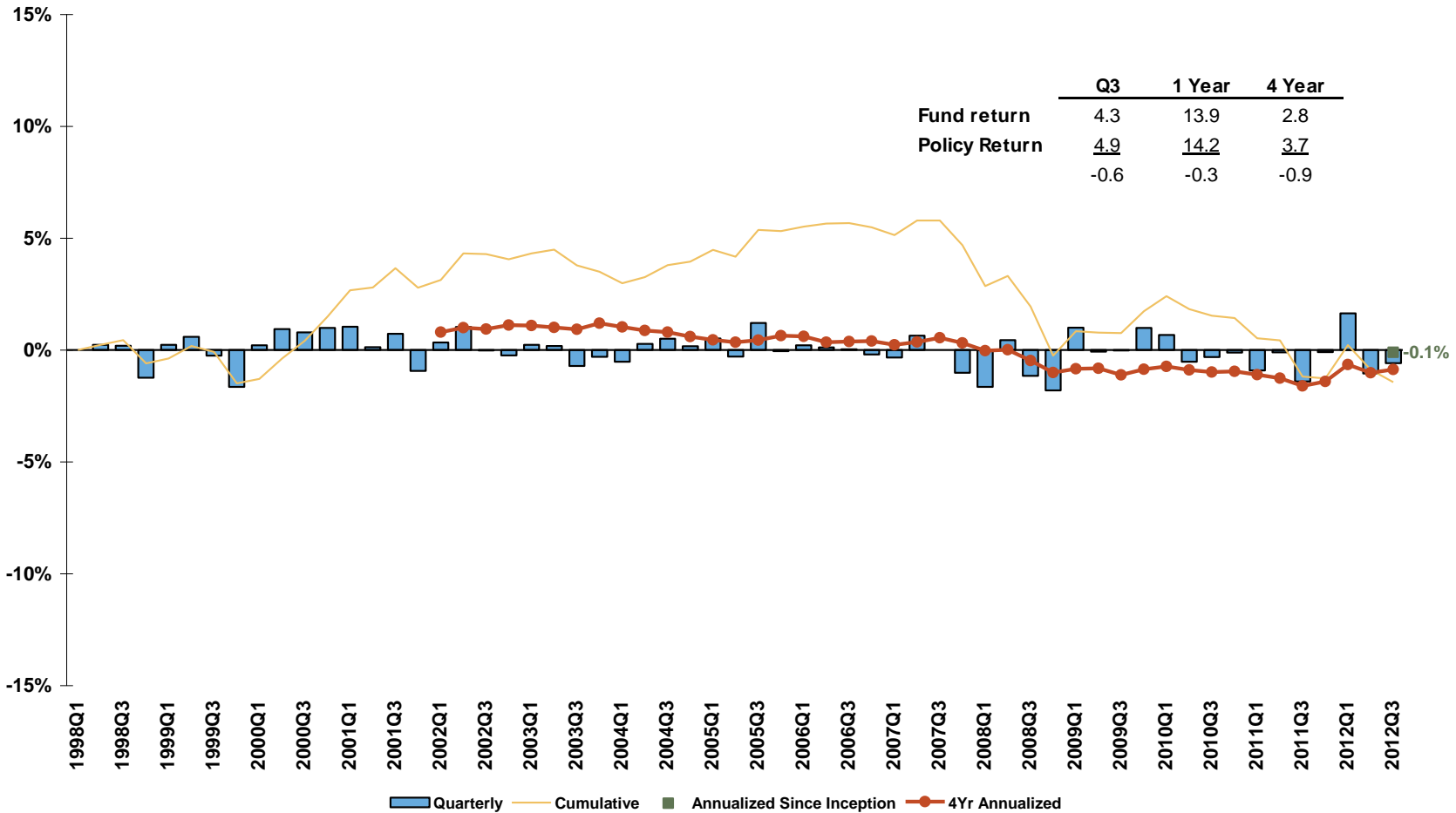
* Policy: 30% Diversified Equity Fund Policy, 70% Diversified Bond Fund Policy

› 3. Equity Funds



Diversified Equity Fund

Value Added from Policy*

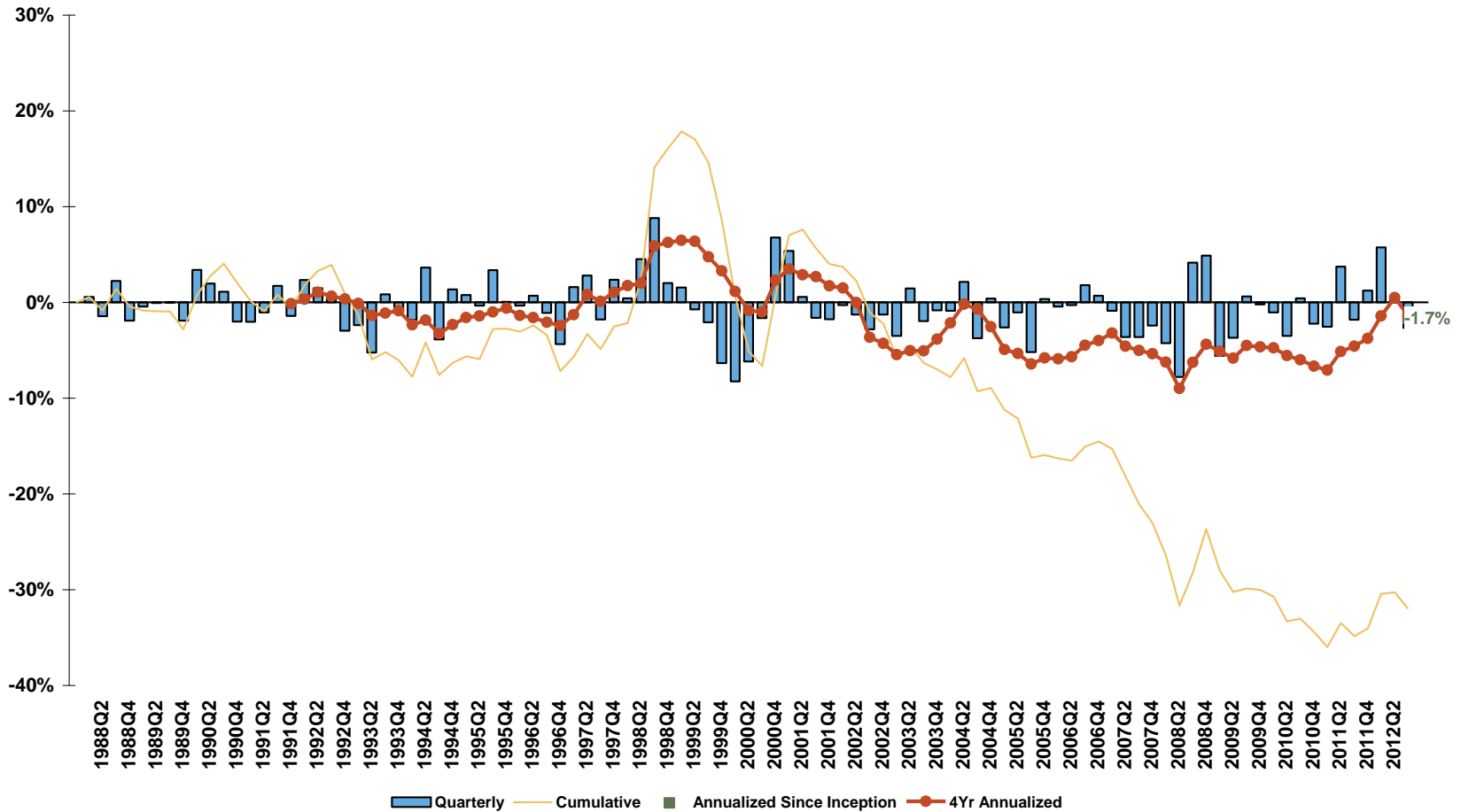


- › Underperformed policy return for the quarter by -59 bps
- › The absolute return of 13.9% for the year was encouraging
- › Value lost of -0.3% for the year and -0.9% over 4 years

* Policy as of Q4 2008 is 30% S&P/TSX Composite, 17.5% S&P 500 Hedged, 2.5% S&P 400 Hedged, 2.5% Russell 2000, 30% MSCI EAFE and 17.5% MSCI World. Previously 30% S&P/TSX Composite, 32% S&P 500 (50% hedged), 4% S&P 400 (hedged), 4% Russell 2000, 30% EAFE

Diversified Equity Fund

Value Added Over S&P/TSX Composite

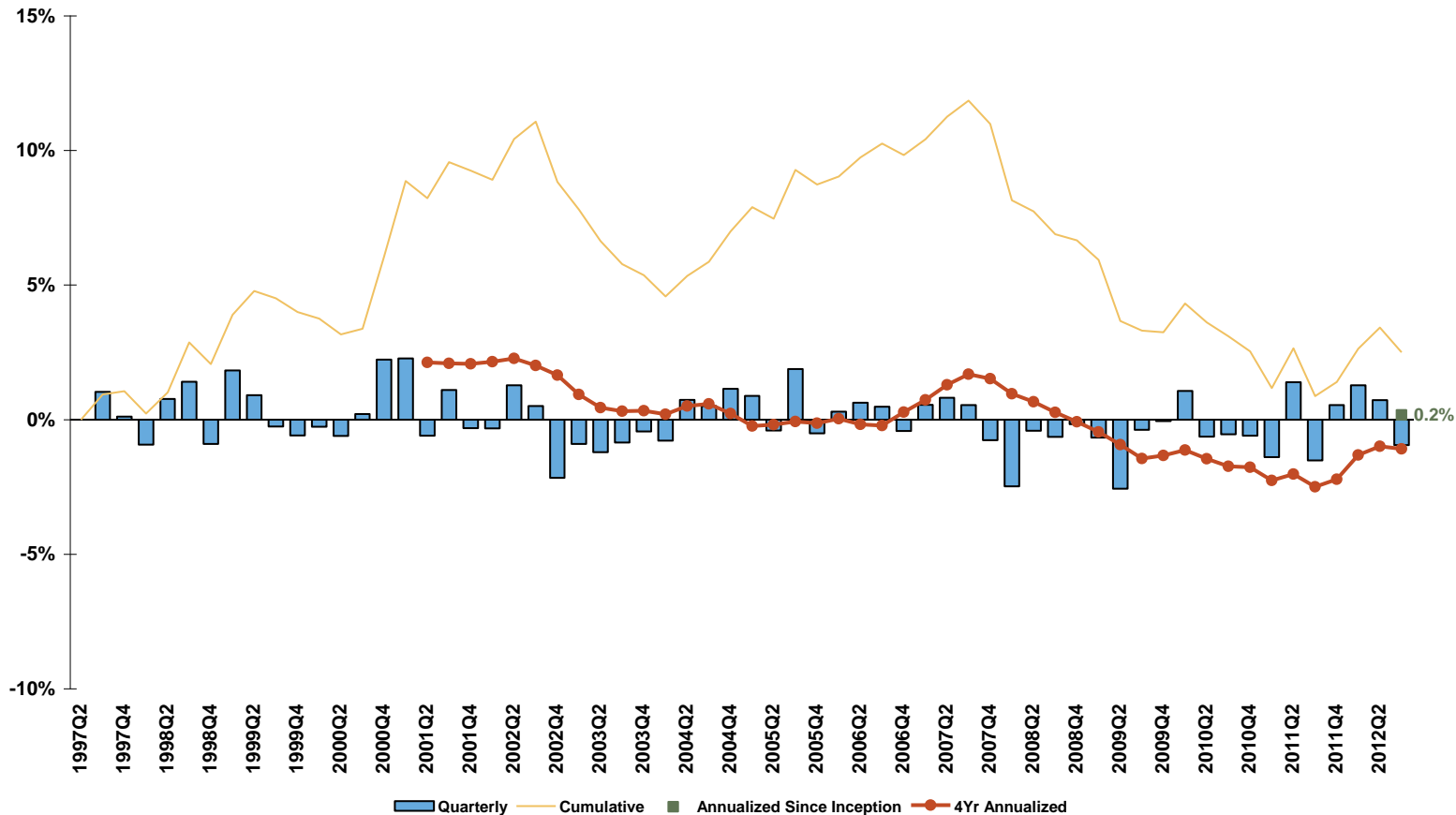


- › Chart is for reference; TSX is not a performance benchmark
- › Underperformed by -2.75% bps in Q3 but outperformed by +5.16% over the last year

Canadian Equity Fund

Value Added Over S&P/TSX Composite

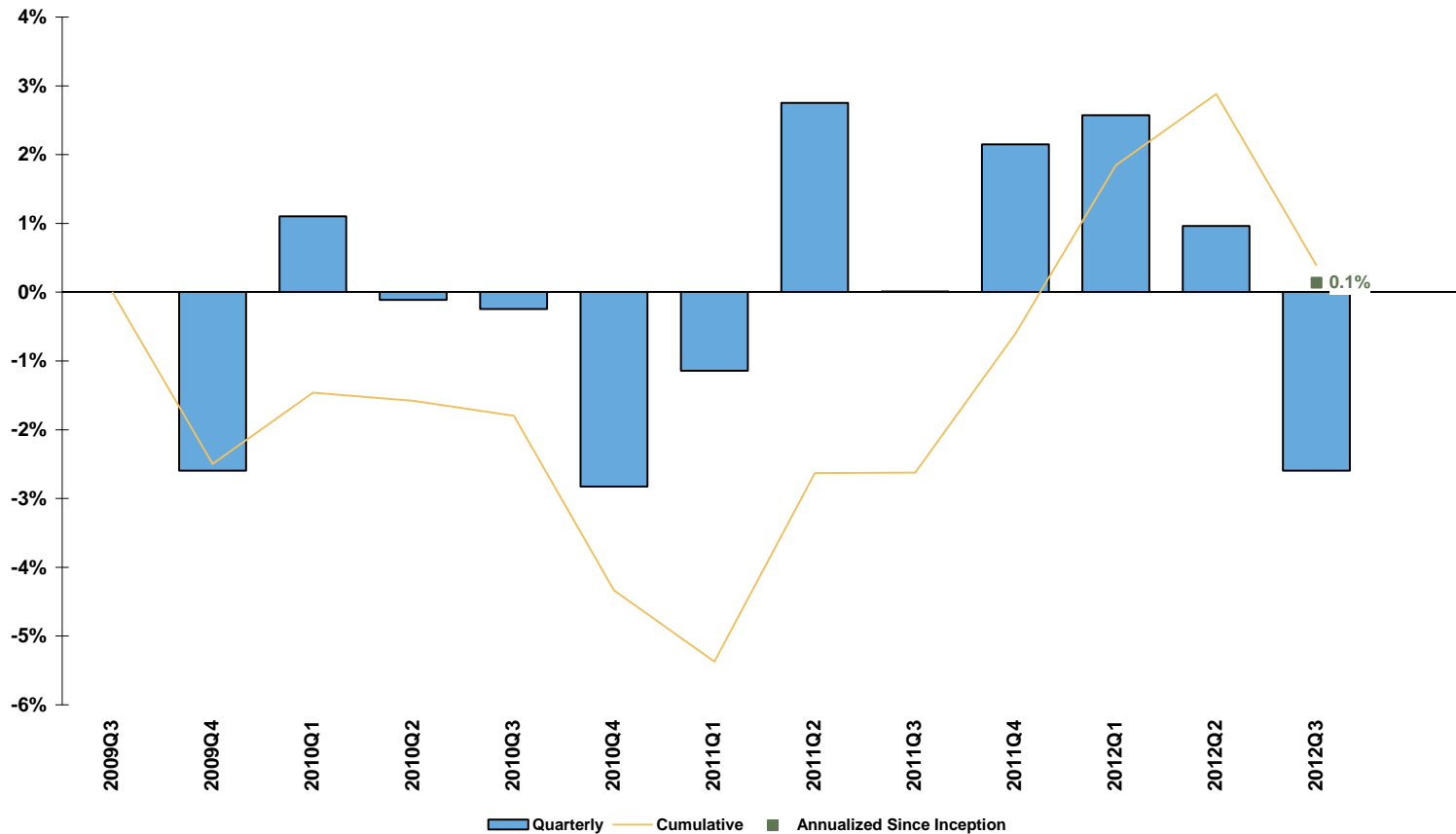
Lost -1.1% from benchmark over 4 years but below benchmark risk



- › Combined Canadian equity managers underperformed S&P/TSX Composite by -95 bps in the 3rd quarter but outperformed +196 bps over 1 year
- › Since inception added value of +0.2% over the benchmark

Canadian Stocks – Beutel Goodman

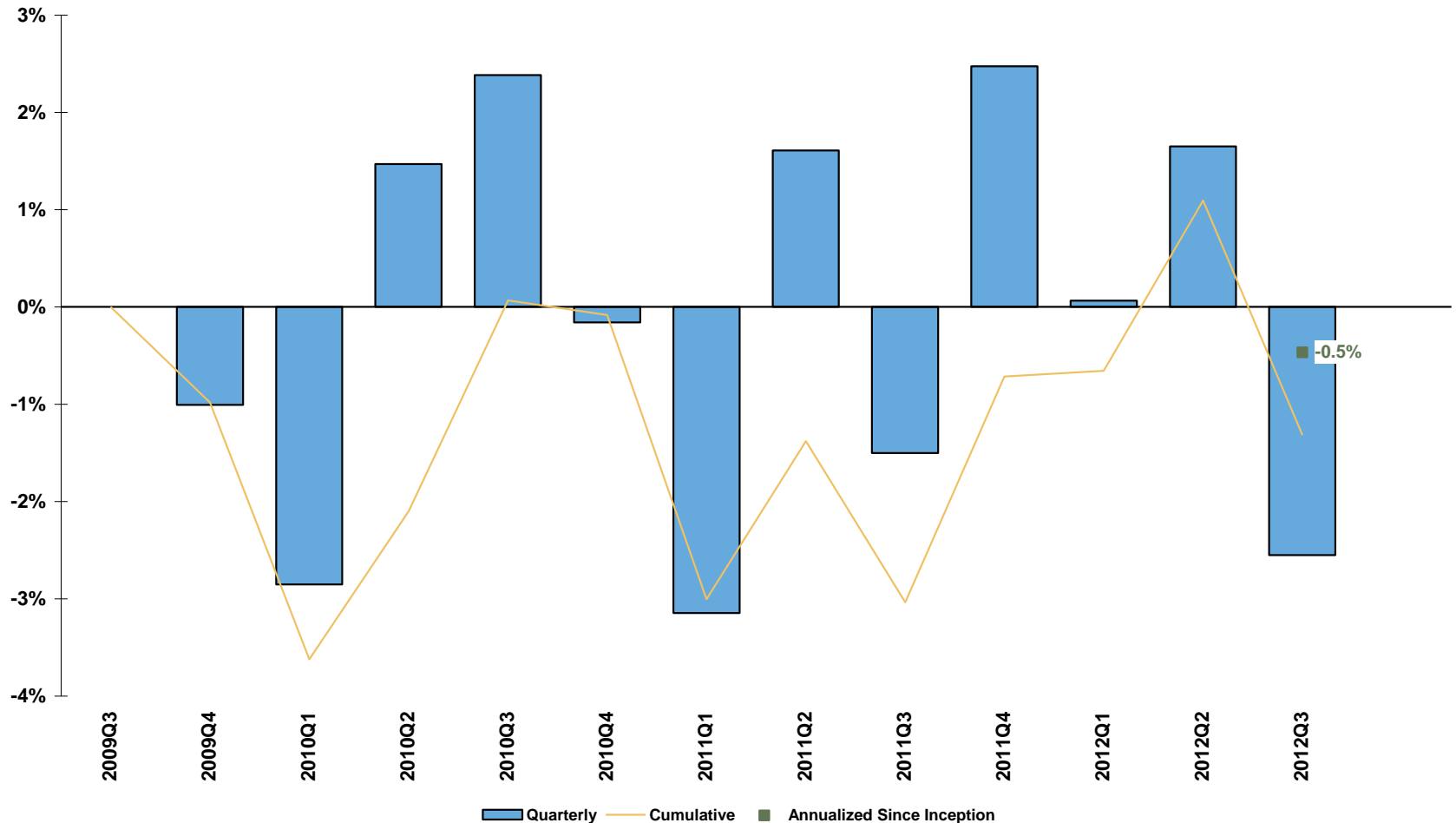
Value Added Over S&P/TSX Composite



- › Underperformed the benchmark by -260 bps in Q3 (4th quartile)
- › Outperformed the benchmark by +3.4% for the year (2nd quartile)
- › Overweight Consumers, Telecom, Industrials and Financials; underweight Materials and Energy
- › Russell rank: Retain

Canadian Stocks – Beutel Goodman

Value Added Over MSCI Canada Value Index

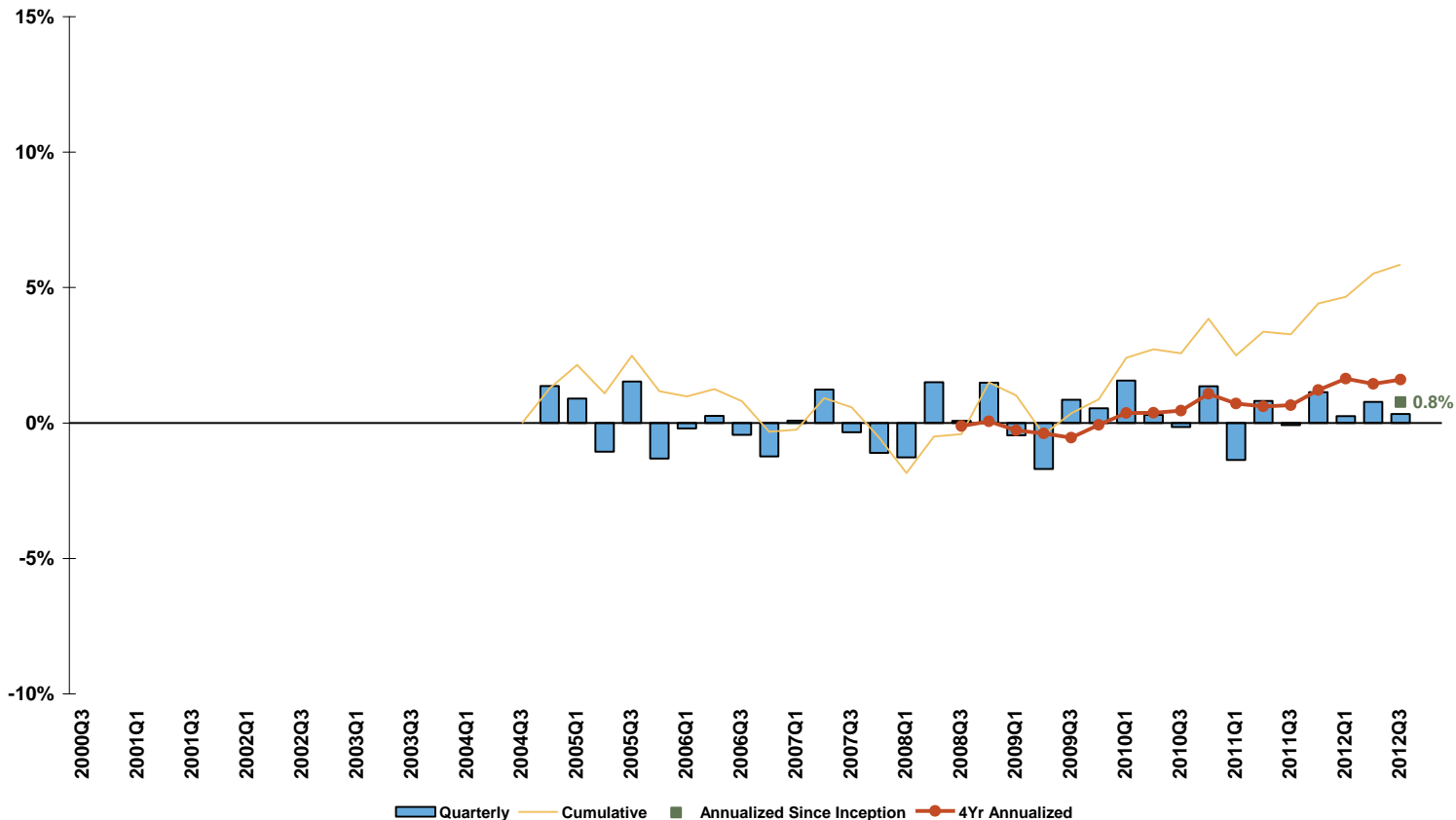


› Underperformed by -2.6% in the quarter and -0.5% since inception

Canadian Stocks – Connor, Clark & Lunn

Value Added Over S&P/TSX Composite

Above benchmark by +1.0% over 5 years (2nd Quartile)

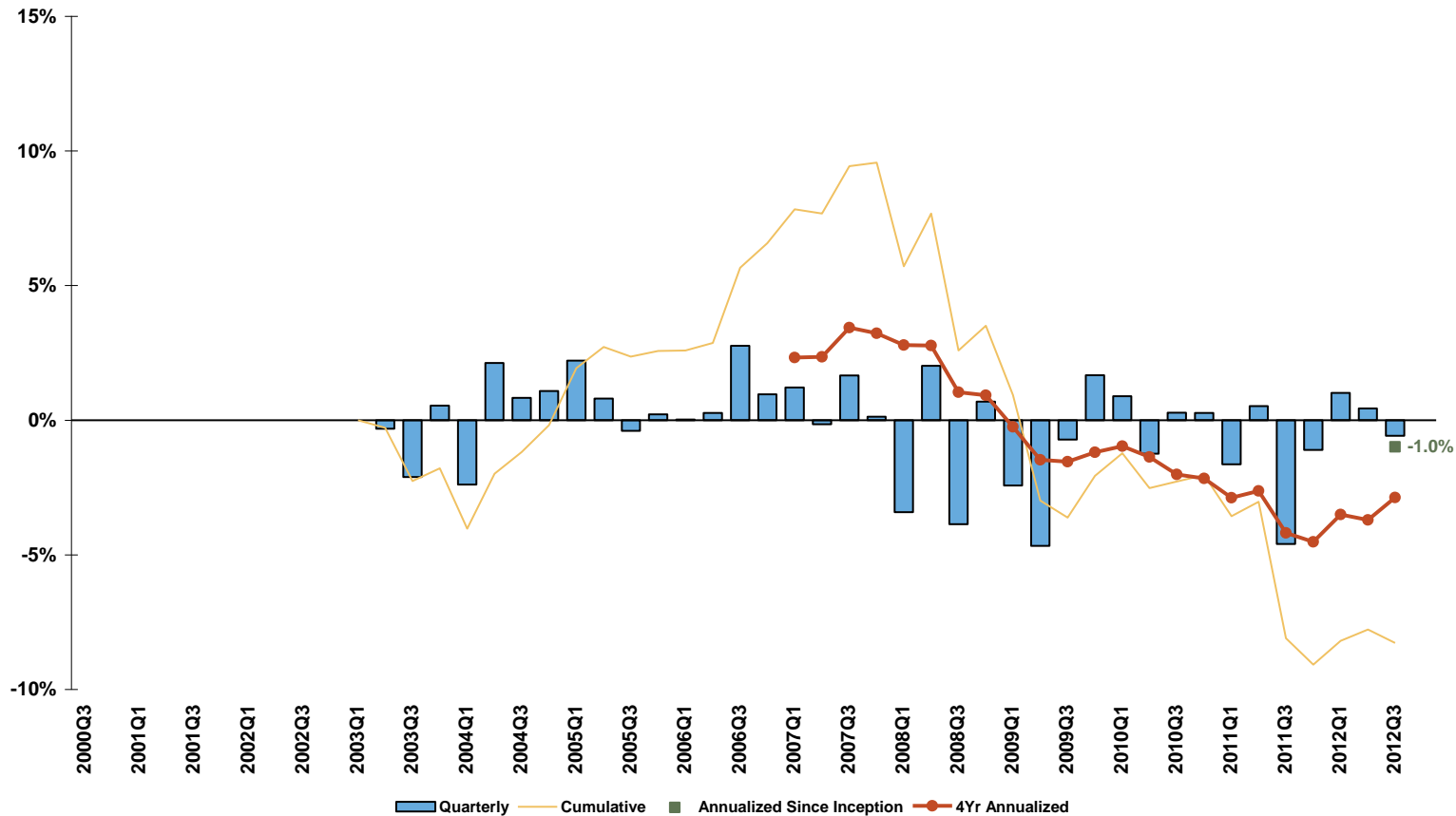


- › Outperformed by +33 bps in the quarter (1st Qtle), by +2.7% for the year & +1.6% for 4 yrs (2nd Qtle)
- › Overweight Industrials and Financials; underweight Energy & Materials
- › Russell Rank: Hire

Canadian Stocks – Greystone

Value Added Over S&P/TSX Composite

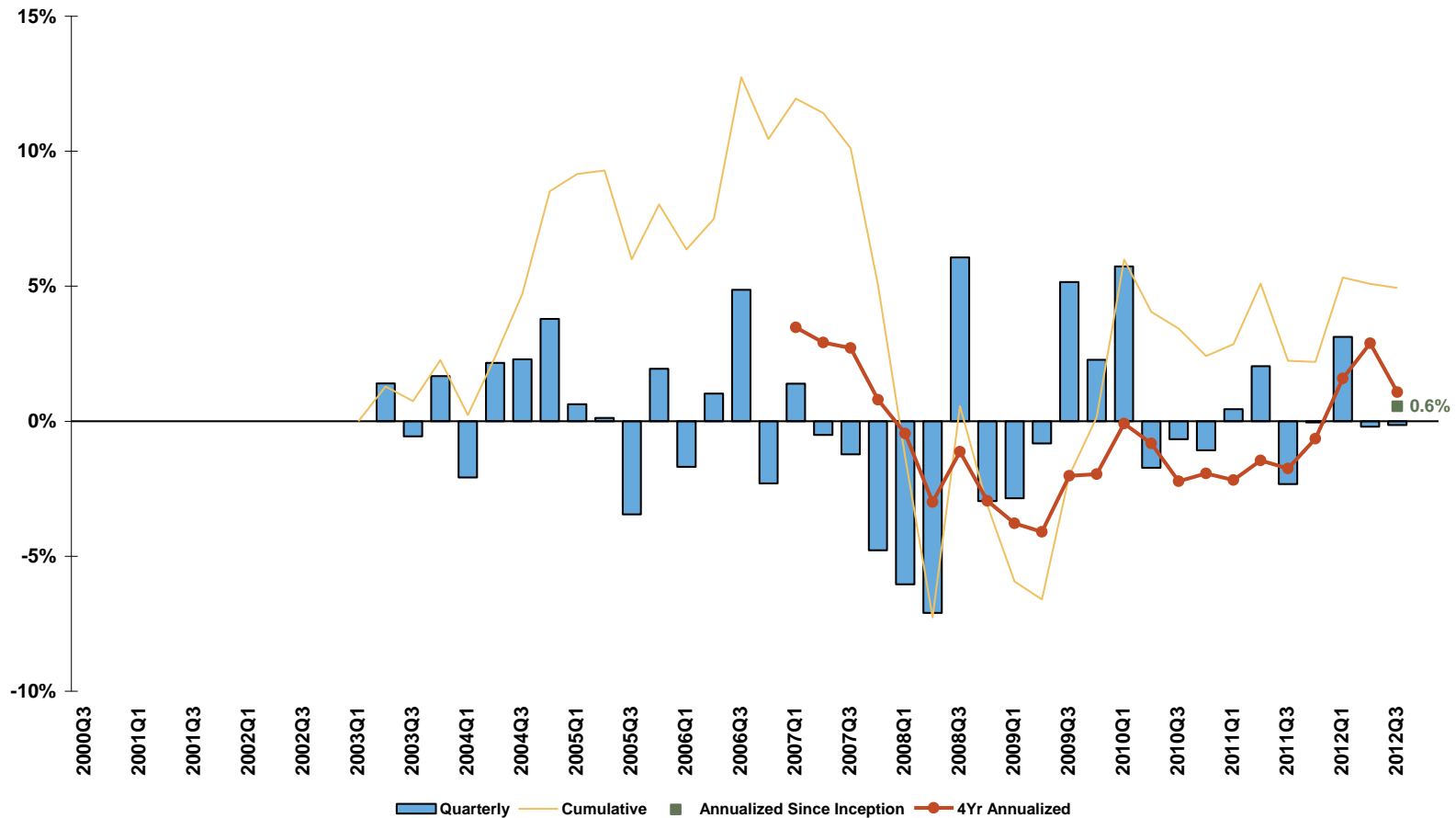
Value lost of -2.9% over 4 years



- › Value lost of -58 bps in the quarter (2nd Qtle), but adding +94bps year to date 2012
- › Value lost since inception of -1.0%
- › Overweight Technology and Consumers; underweight Financials, Energy & Telecommunication
- › Russell rank: Retain

Canadian Stocks – Greystone

Value Added Over MSCI Canada Growth Index
Above style index over 4 years (+1.1%)



- › Value lost of -15 bps in the quarter but +2.8% value added for the year
- › Since inception value added of +0.6%

Canadian Stock Profile

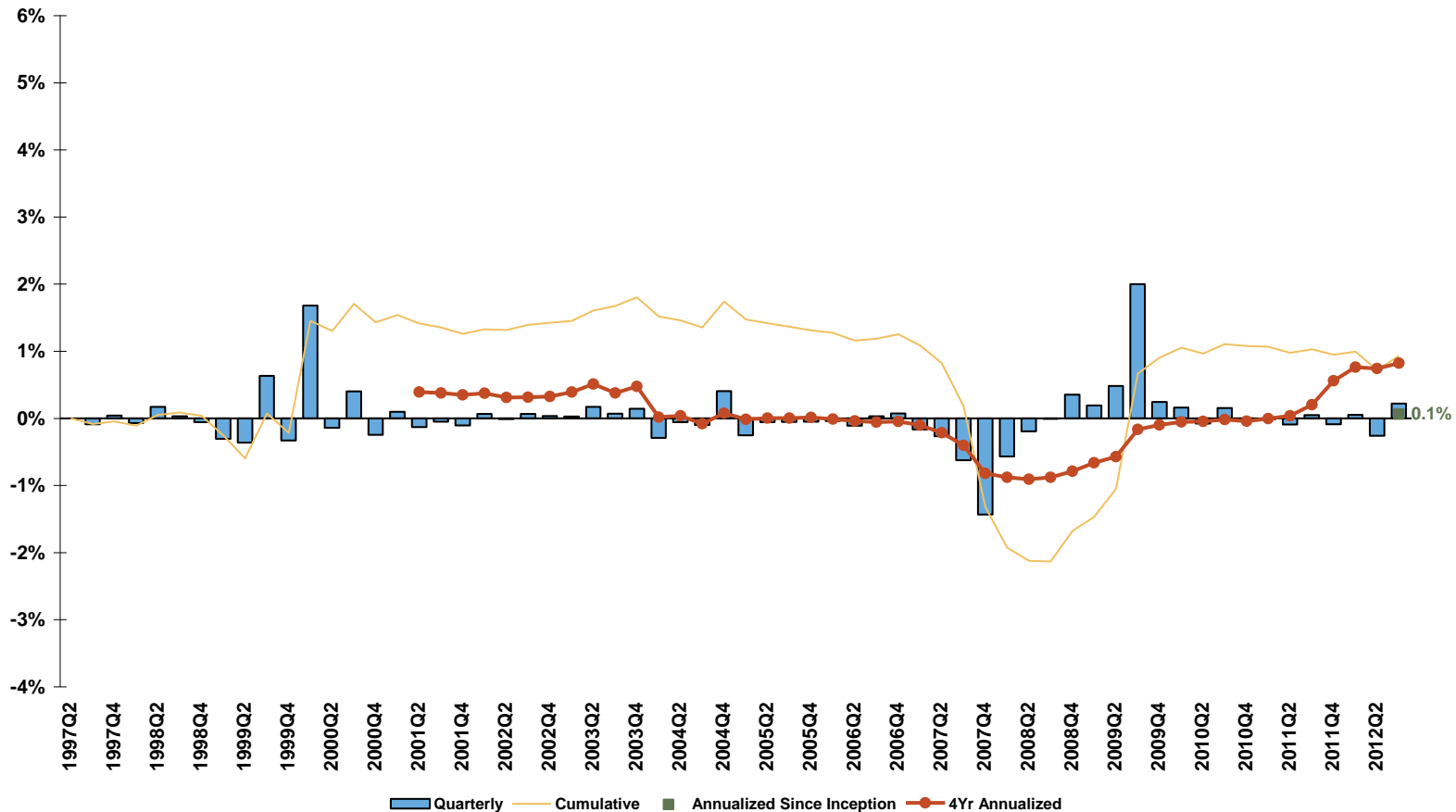
at September 30, 2012

| | Beutel, Goodman | CC&L | Greystone | Composite | S&P/TSX Comp. |
|--|-----------------|--------|-----------|-----------|---------------------------|
| Portfolio Allocations | | | | | |
| Portfolio Size (\$M) | 69.5 | 70.6 | 70.8 | 210.9 | 1.5 T |
| % of structure | 33.0% | 33.5% | 33.6% | 100.0% | --- |
| Cash | 2.1% | 0.6% | 0.7% | 1.1% | 0.0% |
| Style | | | | | |
| | | | | | STYLE NEUTRAL |
| Price/Book | 1.8 x | 1.8 x | 1.9 x | 1.8 x | 1.8 x |
| Price/Earnings (Exc. Neg. Earnings) | 12.4 x | 12.8 x | 14.8 x | 13.3 x | 14.0 x |
| Dividend Yield | 3.0% | 2.9% | 2.3% | 2.7% | 2.9% |
| Price/Cash Flow | 6.8 x | 7.8 x | 9.0 x | 7.8 x | 8.2 x |
| Company Size | | | | | |
| | | | | | CAP NEUTRAL |
| Large Cap (Over \$14.0B) | 65.2% | 57.3% | 60.4% | 60.9% | 57.3% |
| Medium Cap (\$3.9B -- \$14.0B) | 24.9% | 19.2% | 29.6% | 24.6% | 27.0% |
| Small Cap (Under \$ 3.9B) | 9.9% | 23.5% | 8.0% | 13.9% | 15.8% |
| Market Cap Average Nlog (\$Bil) | 29.6 | 26.6 | 26.3 | 27.5 | 26.7 |
| Sector Weights (Red = 3% or more below index, Green = 3% or more above index) | | | | | |
| | | | | | MODEST SECTOR BETS |
| Information Technology | 1.3 | 2.3 | 5.2 | 3.0 | 1.2 |
| Health Care | 0.0 | 2.7 | 4.1 | 2.3 | 1.8 |
| Consumer Discretionary | 10.3 | 3.5 | 7.7 | 7.1 | 4.4 |
| Consumer Staples | 8.6 | 1.9 | 4.0 | 4.8 | 2.8 |
| Energy | 15.4 | 21.2 | 23.1 | 19.9 | 26.0 |
| Materials | 7.2 | 18.6 | 19.5 | 15.2 | 20.1 |
| Industrials | 10.3 | 8.8 | 6.7 | 8.6 | 5.8 |
| Financial | 36.5 | 35.1 | 27.7 | 33.0 | 30.9 |
| Telecommunication Services | 10.5 | 4.7 | 0.0 | 5.0 | 5.0 |
| Utilities | 0.0 | 1.1 | 0.0 | 0.4 | 1.9 |
| Sector Deviation | 21 | 7 | 9 | 10 | --- |
| Concentration | | | | | |
| % in Ten Largest Holdings | 52.9 | 36.3 | 45.5 | 36.5 | 33.1 |
| Number of Holdings | 35 | 205 | 40 | 225 | 249 |

Total U.S. Equity

Value Added over US Equity Benchmark*

Outperformed benchmark by +0.8% over 4 years and +0.2% over 5 yrs

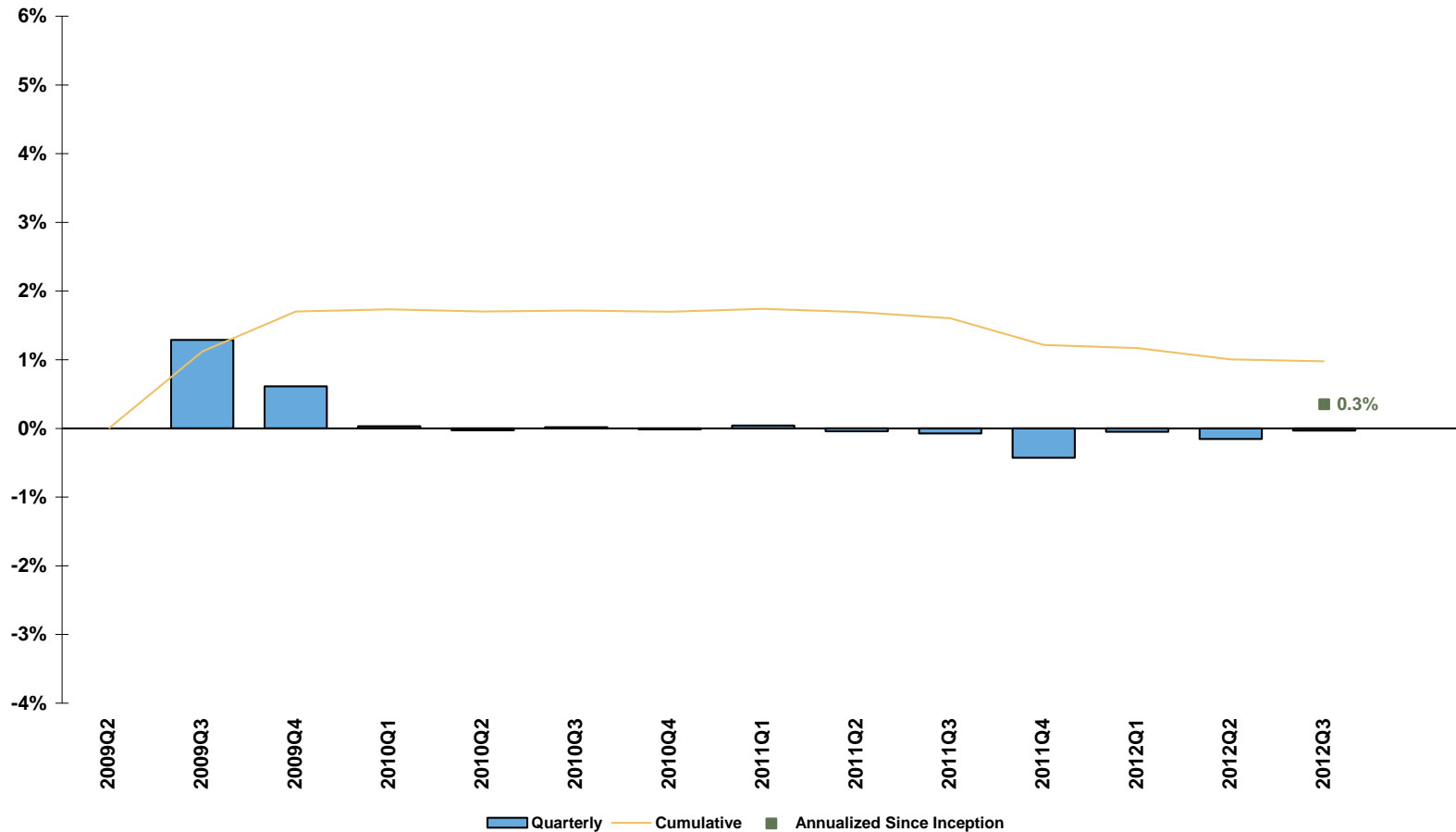


- › Outperformed benchmark (+22 bps) in 3rd quarter but slightly trailed (-12 bps) over one year
- › Absolute return of 12.5% over the last 3 years

*inception date of benchmark is 6/30/1997

U.S. Equity Hedged – SSgA S&P 500

Value Added vs. S&P 500 C\$ Hedged
Value Added of +0.3% since inception

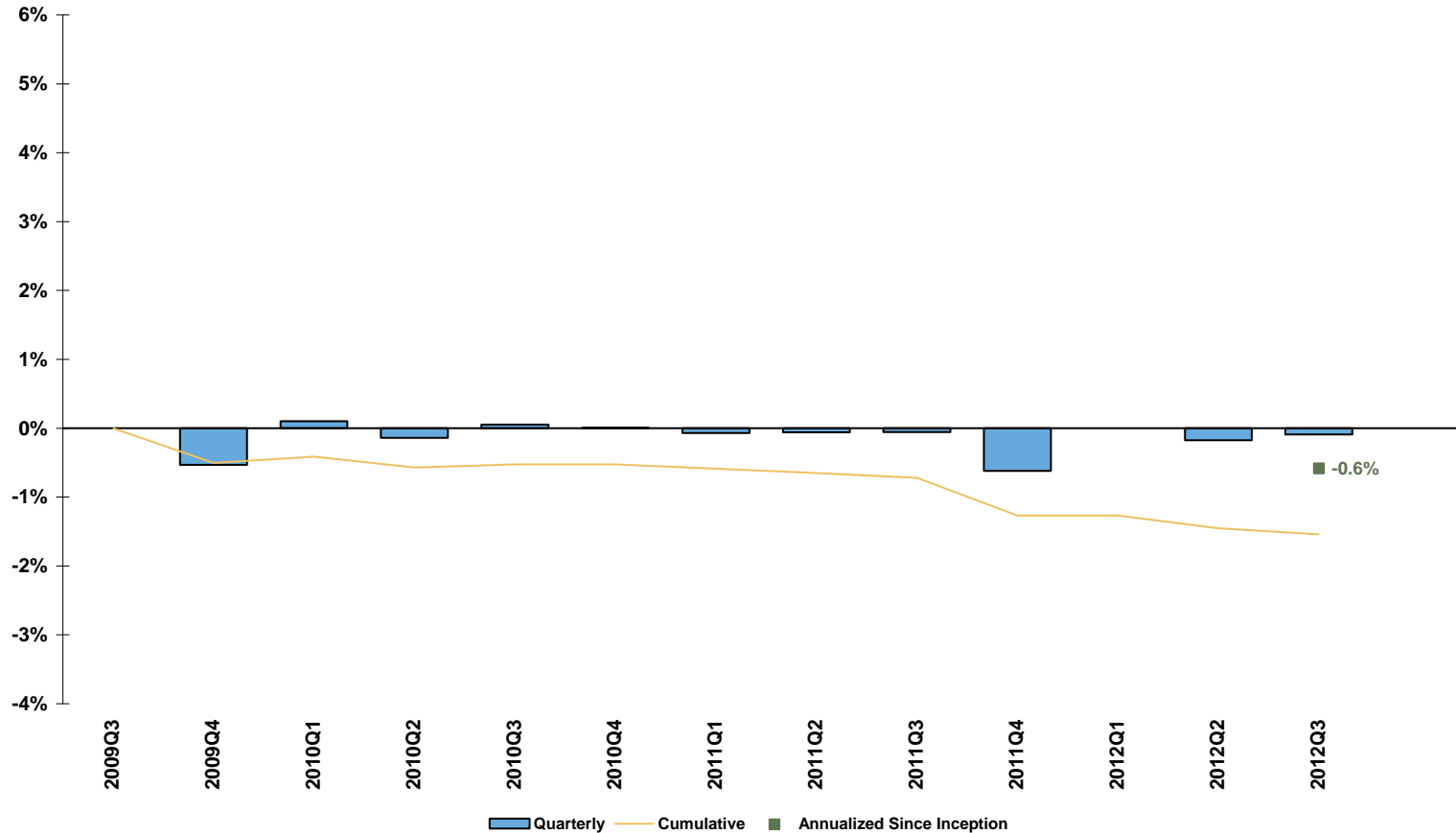


- › Underperformed benchmark in 3rd quarter and for the year, -3 bps and -79 bps respectively

U.S. Mid-Cap Equity Hedged – SSgA

Value Added vs. S&P 400 C\$ Hedged Index

Value lost of -0.6% since inception

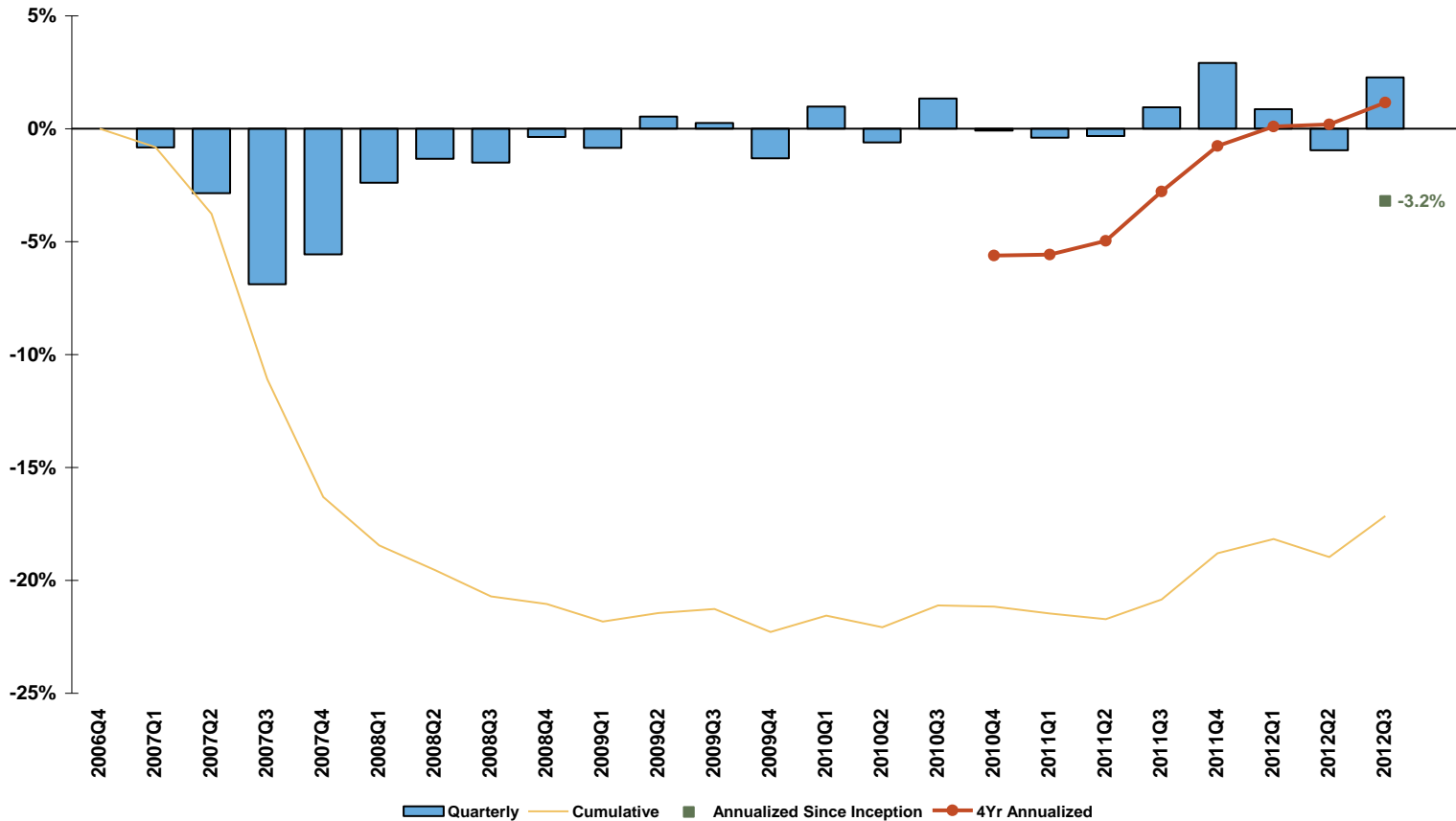


> Underperformed benchmark in 3rd quarter and for the year, -9 bps and -104 bps respectively

U.S. SC Equity Unhedged – PanAgora

Value Added vs. Russell 2000

Value add of +1.2% over 4 years, and +1.9% over 3 years

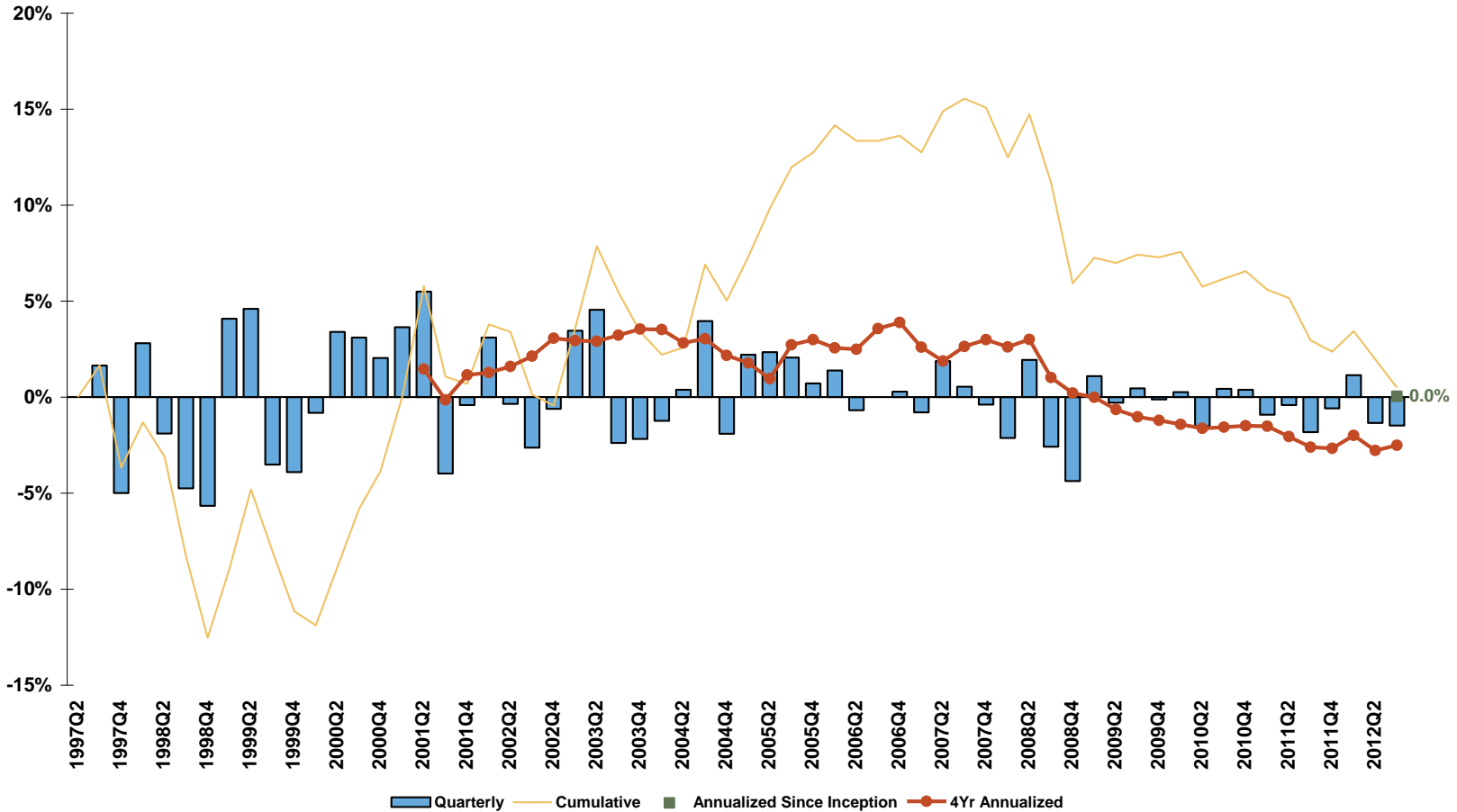


- › Outperformed by +227 bps in the 3rd quarter and by +5.8% for the year (absolute return +30.4%)
- › Overweight Consumer Discretionary and Energy; underweight Industrials & Utilities
- › Russell rank: Review

Non-North American Equity (EAFE) Fund

Value Added over MSCI EAFE Index

Long term value added flat, but -2.5% value lost over 4 years



› Underperformed MSCI EAFE in 3rd quarter by -149 bps and -2.5% for the year

U.S. Stock Profile

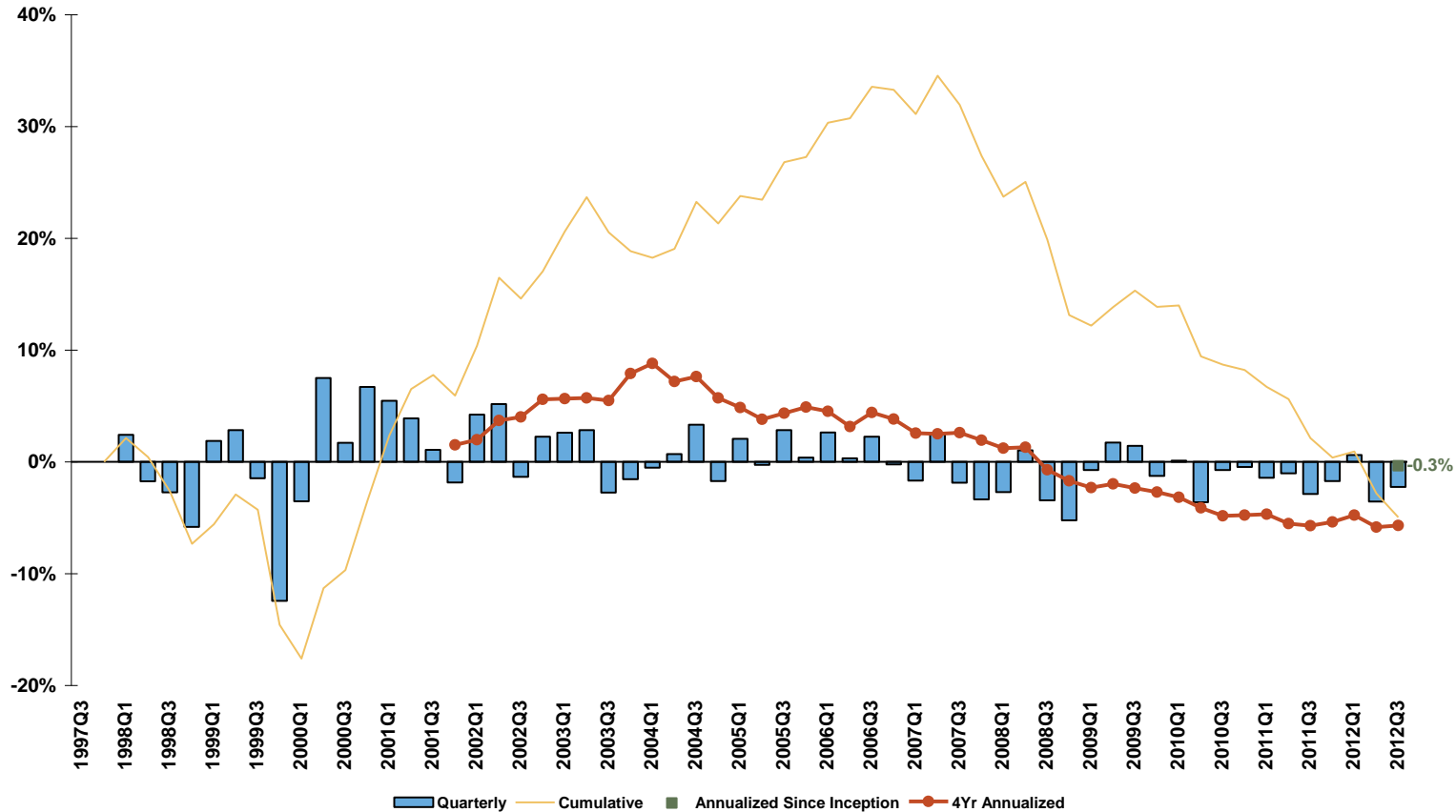
at September 30, 2012

| | PanAgora | Russell 2000 |
|--|----------|---------------------------|
| Portfolio Allocations | | |
| Portfolio Size (\$M) | 11.4 M | 1.2 T |
| Cash | 0.1% | 0.0% |
| Style | | |
| | | SLIGHT VALUE TILT |
| Price/Book | 1.8 x | 1.8 x |
| Price/Earnings (Exc. Neg. Earnings) | 14.5 x | 17.7 x |
| Dividend Yield | 1.2% | 1.4% |
| Price/Cash Flow | 10.8 x | 13.5 x |
| Company Size | | |
| | | SMALL CAP |
| Large Cap (Over \$56.1B) | 0.0% | 0.0% |
| Medium Cap (\$5.4 B -- \$56.1B) | 0.0% | 0.0% |
| Small Cap (Under \$5.4 B) | 100.0% | 100.0% |
| Market Cap Average Nlog (\$Bil) | 1.3 | 1.3 |
| Sector Weights (Red = 3% or more below index, Green = 3% or more above index) | | |
| | | MODEST SECTOR BETS |
| Information Technology | 16.3 | 17.1 |
| Health Care | 14.3 | 13.4 |
| Consumer Discretionary | 18.1 | 13.9 |
| Consumer Staples | 1.3 | 3.6 |
| Energy | 10.0 | 6.1 |
| Materials | 4.4 | 5.0 |
| Industrials | 11.1 | 14.7 |
| Financial | 22.7 | 21.7 |
| Telecommunication Services | 0.5 | 0.8 |
| Utilities | 1.3 | 3.6 |
| Sector Deviation | 8 | --- |
| Concentration | | |
| % in Ten Largest Holdings | 11.7 | 2.5 |
| Number of Holdings | 340 | 1975 |

NNA Stocks - Alliance Bernstein

Value Added Over MSCI EAFE

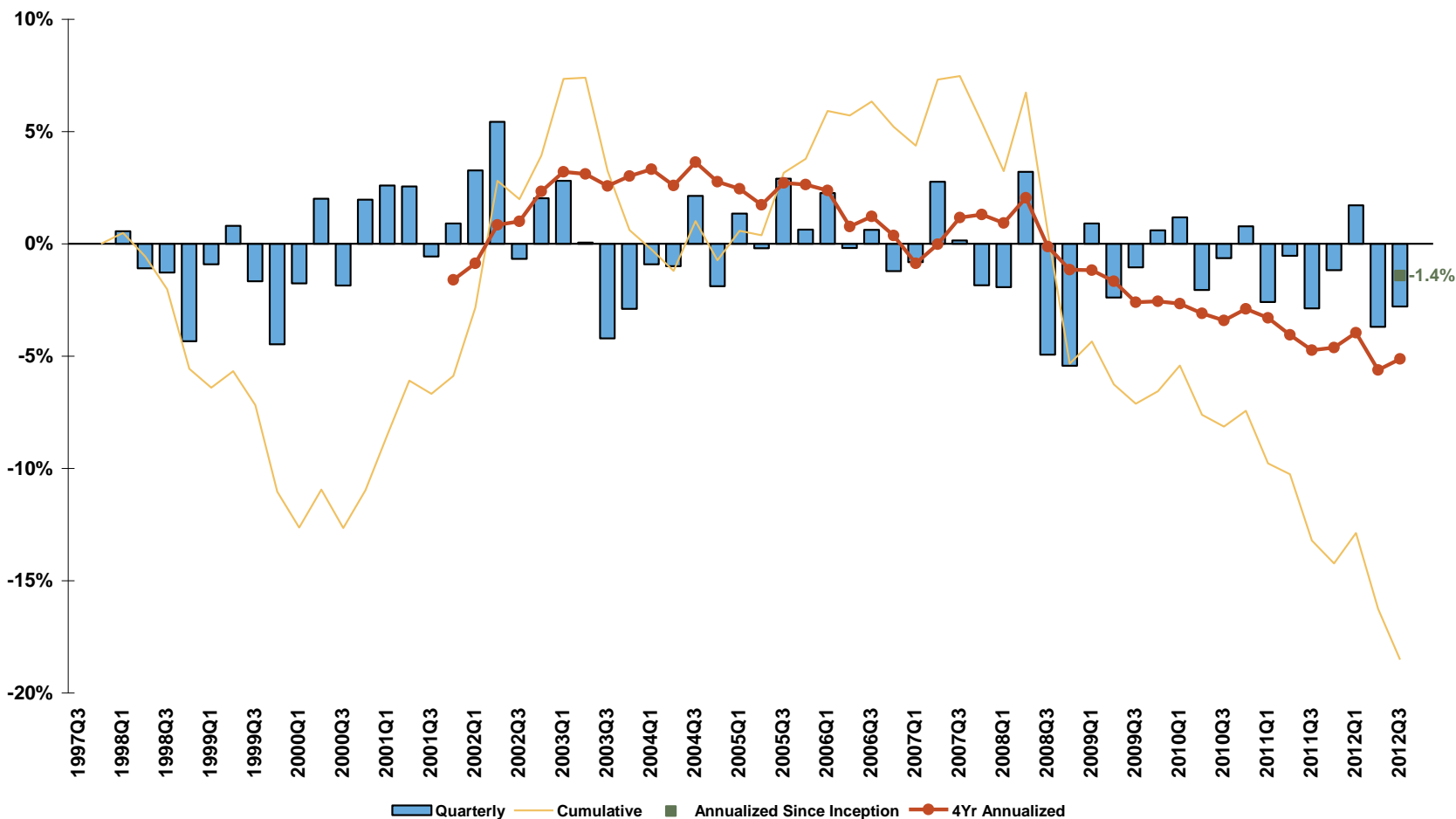
Slightly under benchmark since inception (-0.3%)



- › Underperformed by -225 bps in the quarter and by -7.5% over one year (4th quartile)
- › Underperformed by -5.7% over last 4 years (4th quartile)
- › Overweight Consumer Discretionary & Energy; underweight Consumer Staples & Industrials
- › Russell rank: Review

NNA Stocks - Alliance Bernstein

Value Added Over MSCI EAFE Value Index

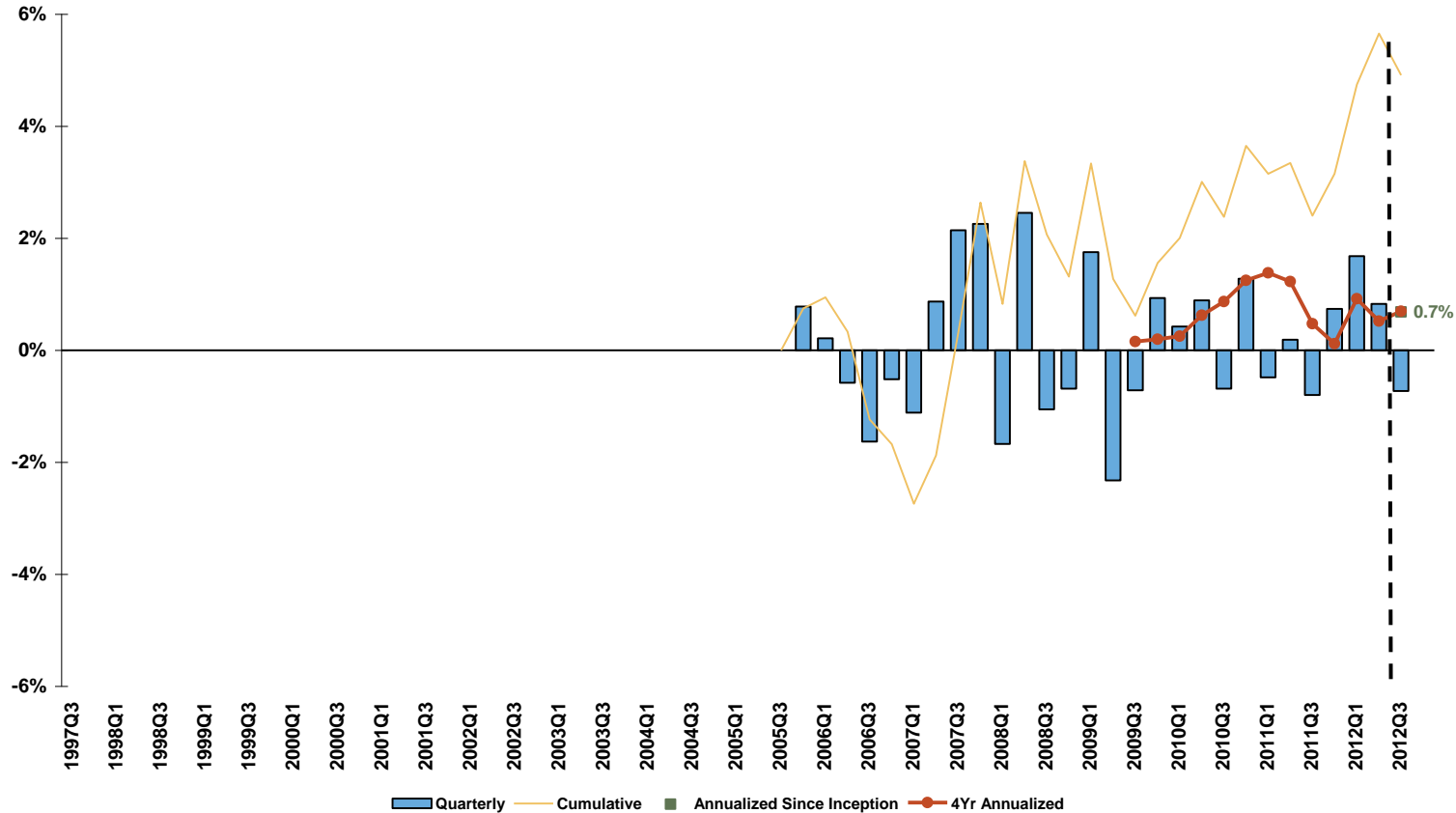


- › Underperformed by -280 bps in the quarter
- › Below value index over last 4 years (-5.1%) and since inception (-1.4%)

NNA Stocks – MFS International / Fidelity

Value Added Over MSCI EAFE Index

Above benchmark since inception by +0.7%

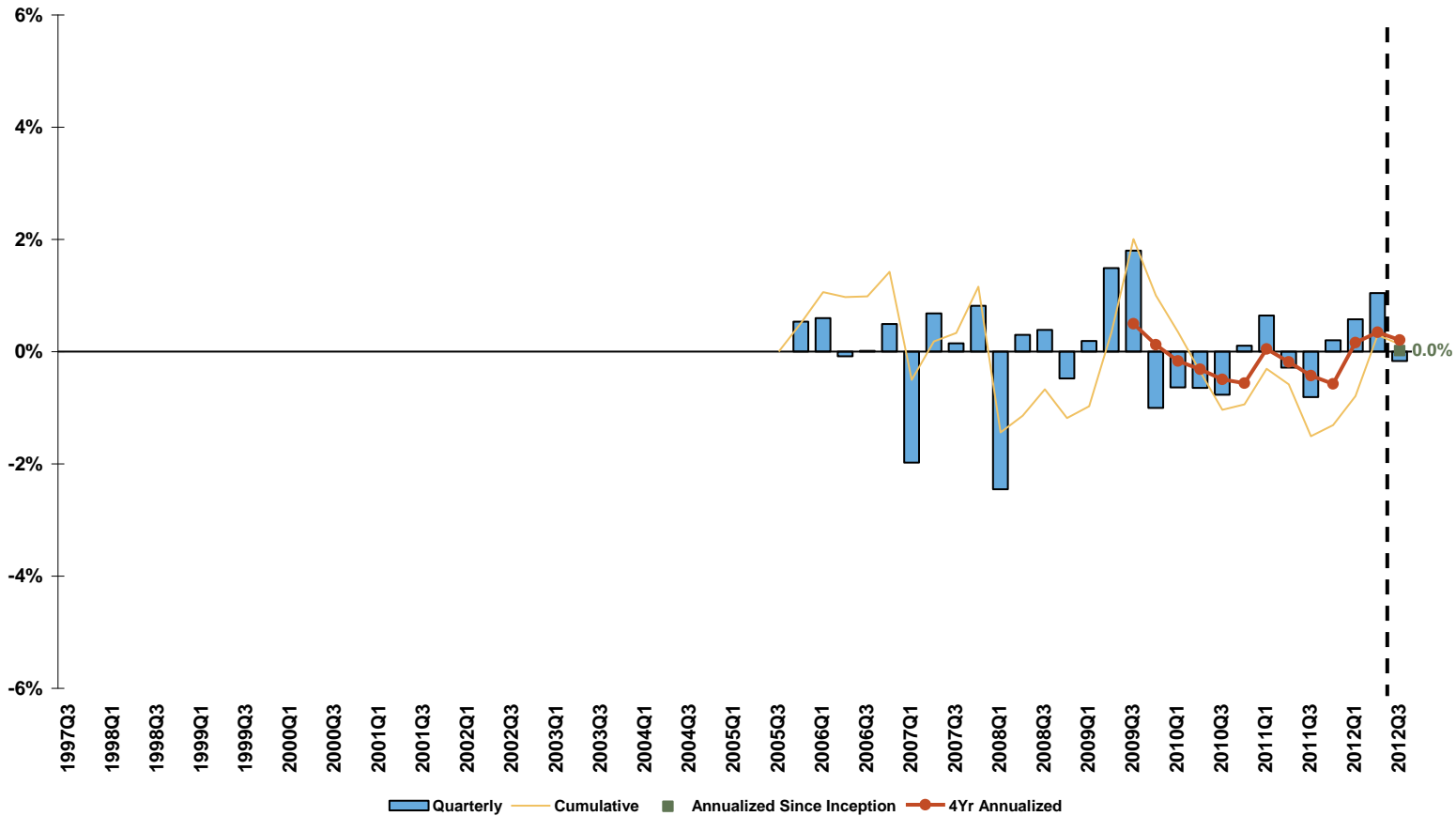


- › MFS replaced Fidelity in Q3 2012 (demarcated)
- › Value lost of -73 bps in the 3rd quarter
- › Overweight Consumer and IT but Underweight Energy & Utilities
- › Exceeded benchmark by +0.7% over 4 years

NNA Stocks – MFS International / Fidelity

Value Added Over MSCI EAFE Growth Index

Flat against benchmark since Inception



- > MFS replaced Fidelity in Q3 2012 (demarcated)
- > Underperformed by -17 bps in the 3rd quarter

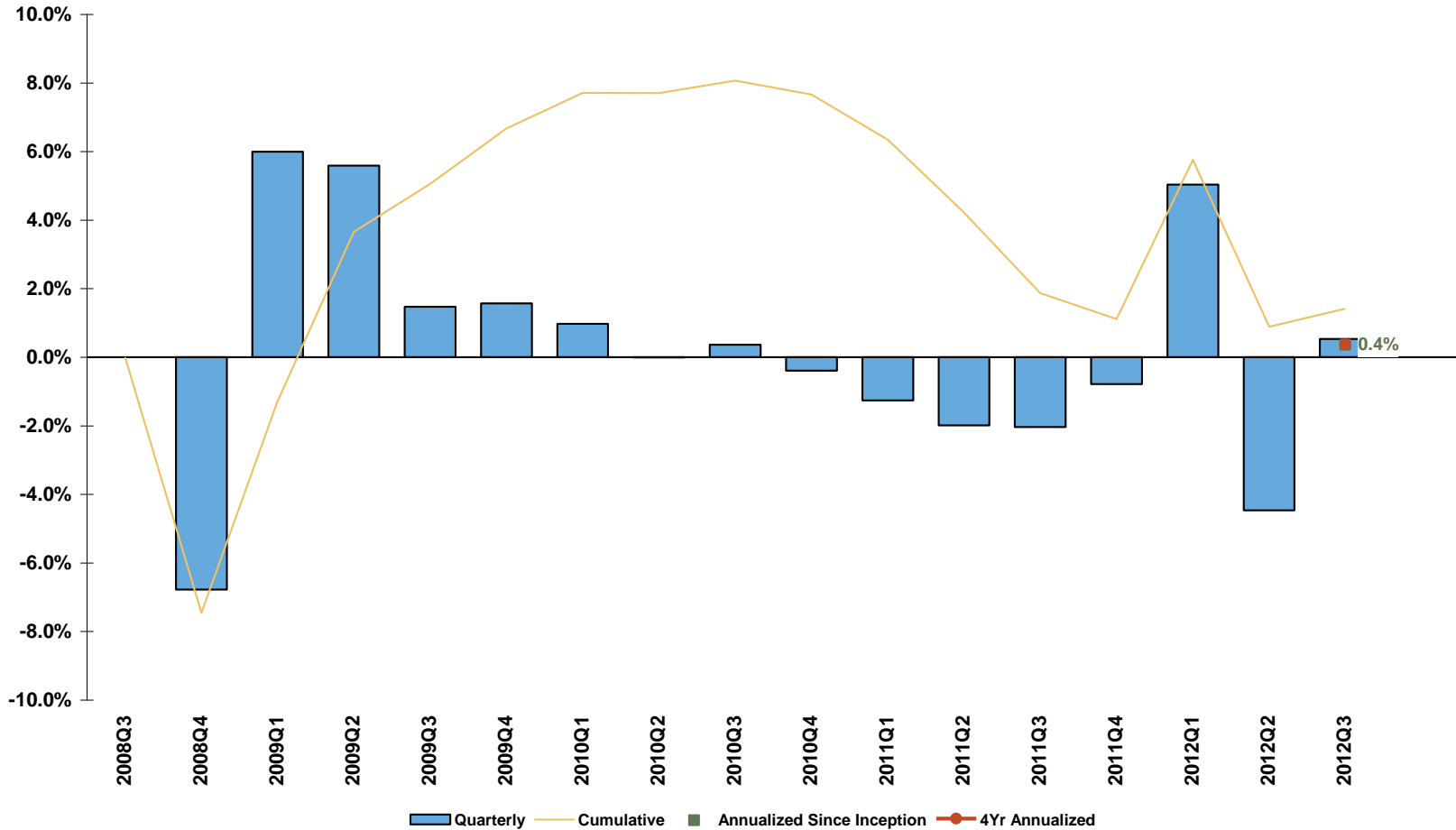
EAFE Stock Profile*

at September 30, 2012

| | AllianceBernstein (EAFE Fund) | MFS International | EAFE Composite | MSCI EAFE |
|--|----------------------------------|----------------------|-------------------|-----------|
| Portfolio Allocations | | | | |
| Portfolio Size (\$M) | 74.3 | 74.6 | 148.9 | 10.1 T |
| % of structure | 49.9% | 50.1% | 100.0% | --- |
| Cash | 0.9% | 1.2% | 1.0% | 0.0% |
| Style | | | | |
| SLIGHT VALUE TILT | | | | |
| Price/Book | 0.9 x | 1.8 x | 1.2 x | 1.3 x |
| Price/Earnings (Exc. Neg. Earnings) | 9.8 x | 16.1 x | 12.4 x | 13.1 x |
| Dividend Yield | 4.1% | 2.7% | 3.4% | 3.7% |
| Price/Cash Flow | 4.5 x | 8.2 x | 5.8 x | 6.7 x |
| Cap Size | | | | |
| CAP NEUTRAL | | | | |
| Large Cap (Over \$20.9B) | 57.9% | 72.3% | 65.2% | 62.9% |
| Medium Cap (\$3.0B -- \$20.9B) | 37.0% | 26.8% | 31.9% | 34.5% |
| Small Cap (Under \$3.0 B) | 4.3% | 0.4% | 2.4% | 2.4% |
| Market Cap Average Nlog (\$Bil) | 53.1 | 51.2 | 52.1 | 54.0 |
| Sector Weights (Red = 3% or more below index, Green = 3% or more above index) | | | | |
| MODEST SECTOR BETS | | | | |
| Information Technology | 4.9 | 10.8 | 7.9 | 4.3 |
| Health Care | 9.4 | 7.1 | 8.2 | 10.2 |
| Consumer Discretionary | 14.1 | 13.1 | 13.6 | 10.1 |
| Consumer Staples | 6.3 | 17.9 | 12.2 | 12.0 |
| Energy | 13.2 | 5.0 | 9.1 | 8.3 |
| Materials | 8.9 | 11.1 | 10.0 | 9.6 |
| Industrials | 8.9 | 10.4 | 9.6 | 12.4 |
| Financial | 21.9 | 21.4 | 21.6 | 23.5 |
| Telecommunication Services | 8.0 | 2.8 | 5.4 | 5.4 |
| Utilities | 4.4 | 0.5 | 2.4 | 4.0 |
| Sector Deviation | 10 | 12 | 7 | --- |
| Country Allocation | | | | |
| MODEST COUNTRY BETS | | | | |
| United Kingdom | 24.2 | 20.1 | 22.1 | 23.2 |
| Total Europe Ex United Kingdom | 34.4 | 45.4 | 39.9 | 42.0 |
| Japan | 25.8 | 14.7 | 20.2 | 20.1 |
| Pacific Basin Ex Japan | 11.7 | 12.3 | 12.0 | 14.1 |
| % in Emerging Market Countries | 7.6 | 8.8 | 8.2 | 0.0 |
| Country Deviation (Equity MV) | 9.6 | 13.1 | 8.1 | --- |
| % in Non Index Countries | 7.6 | 12.1 | 9.9 | --- |
| Concentration | | | | |
| % in Ten Largest Holdings | 23.9 | 27.2 | 15.4 | 13.5 |
| Number of Holdings | 114 | 72 | 177 | 920 |

Global Stocks

Value Added Over MSCI World Index
Since inception value added of +0.4%

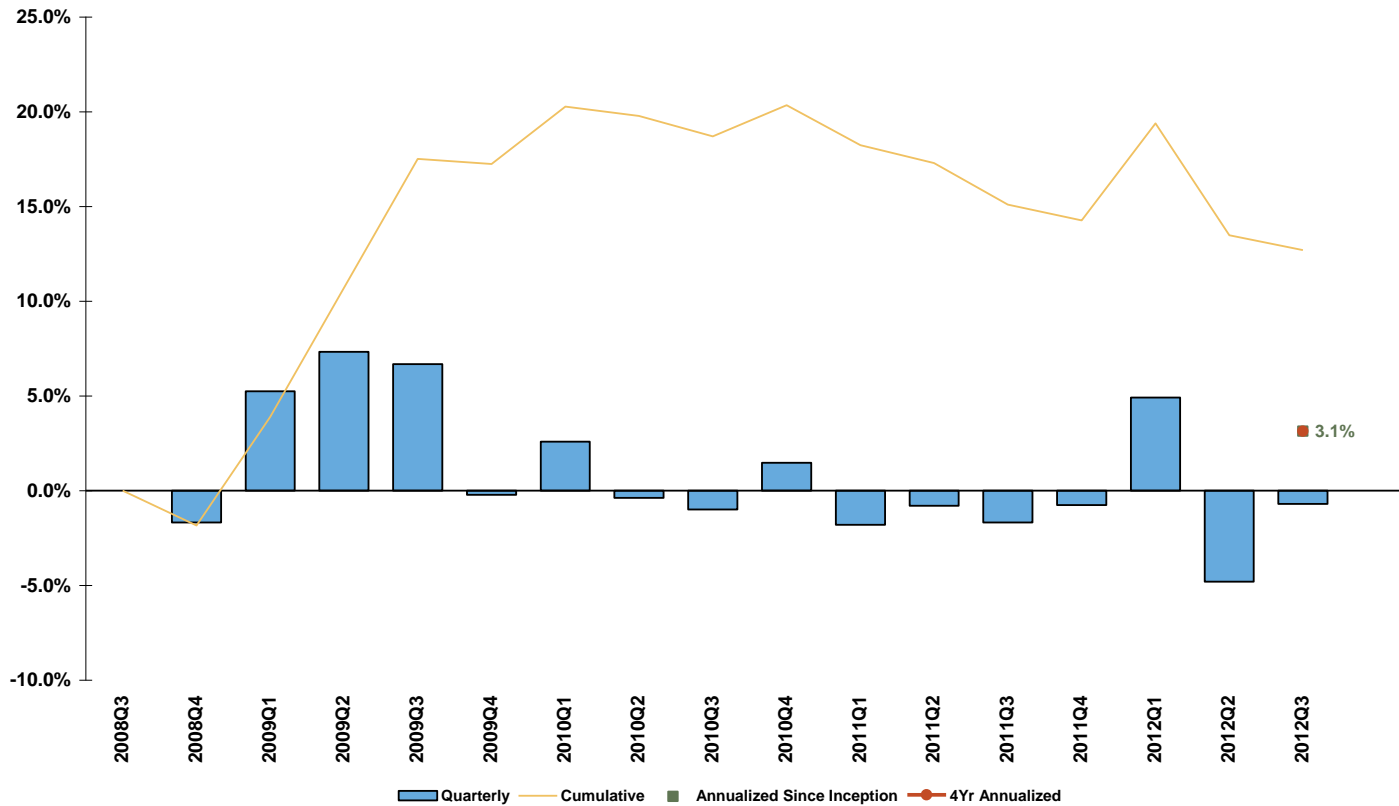


- > Value added of +54 bps in the 3rd quarter
- > Value lost of -1.2% over three years

Global Stocks – Harris

Value Added Over MSCI World Index

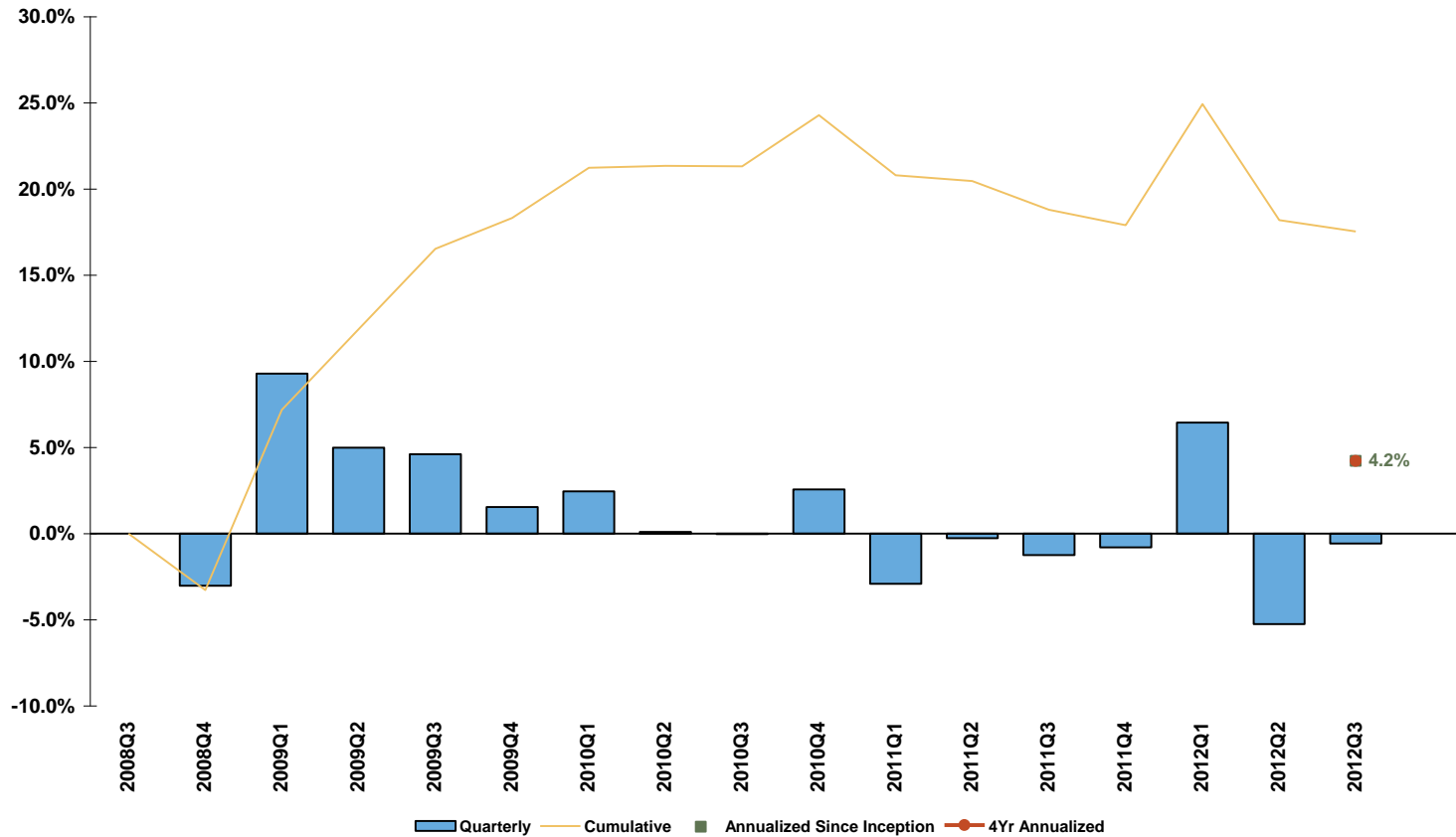
Significant value added of +3.1% since inception



- > Value lost of -70 bps in 3rd quarter and -2.4% for one year
- > Value added of +3.1% over four years (1st quartile)
- > Overweight Technology, Consumer Discretionary and Financials; underweight Health Care, Consumer Staples, Energy, Utilities and Telecom
- > Russell Rank: Hire

Global Stocks – Harris

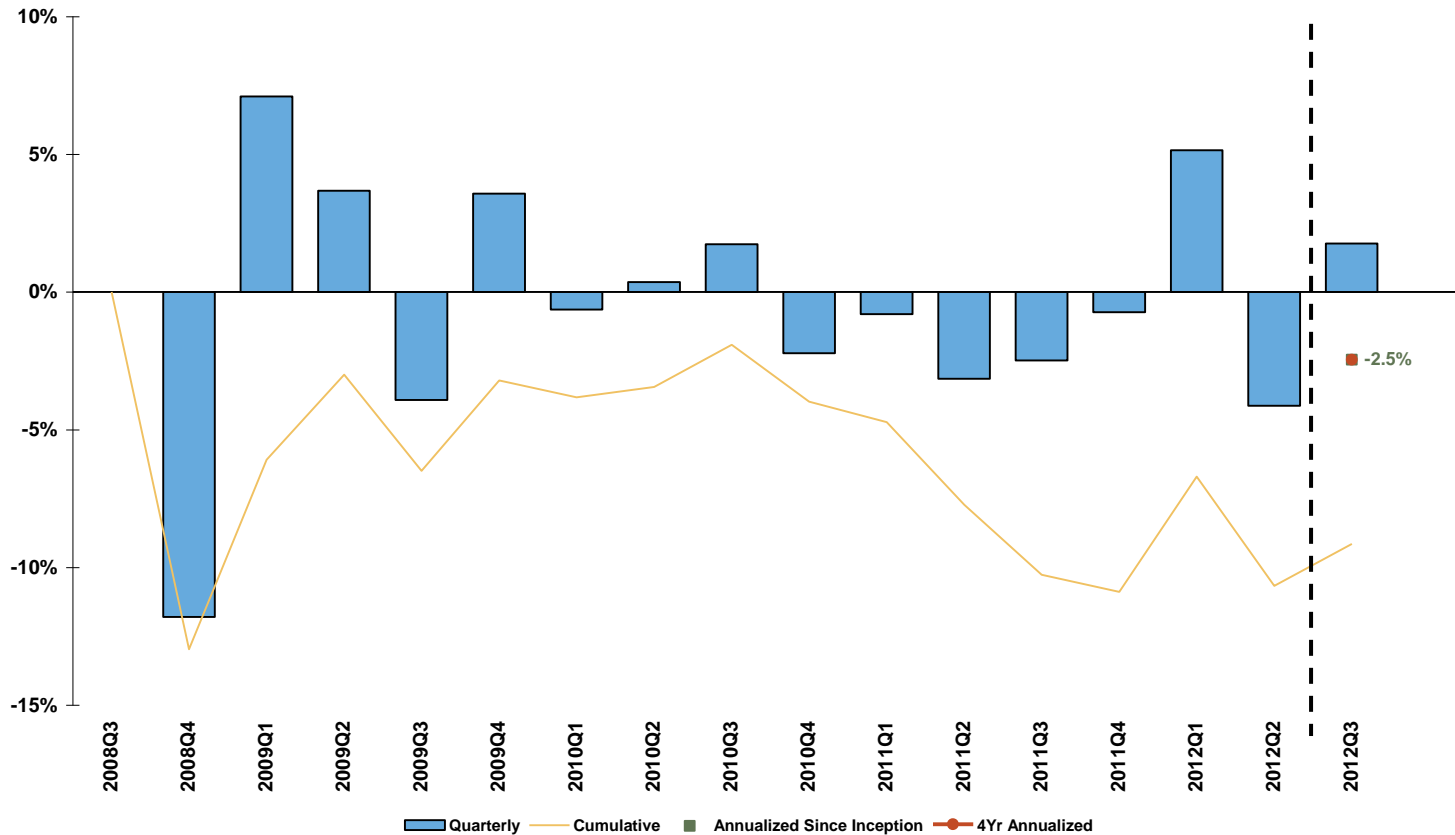
Value Added Over MSCI World Value Index
 Significant value added of +4.2% since inception



› Value lost of -58 bps in 3rd quarter

Global Stocks – T. Rowe Price Combined

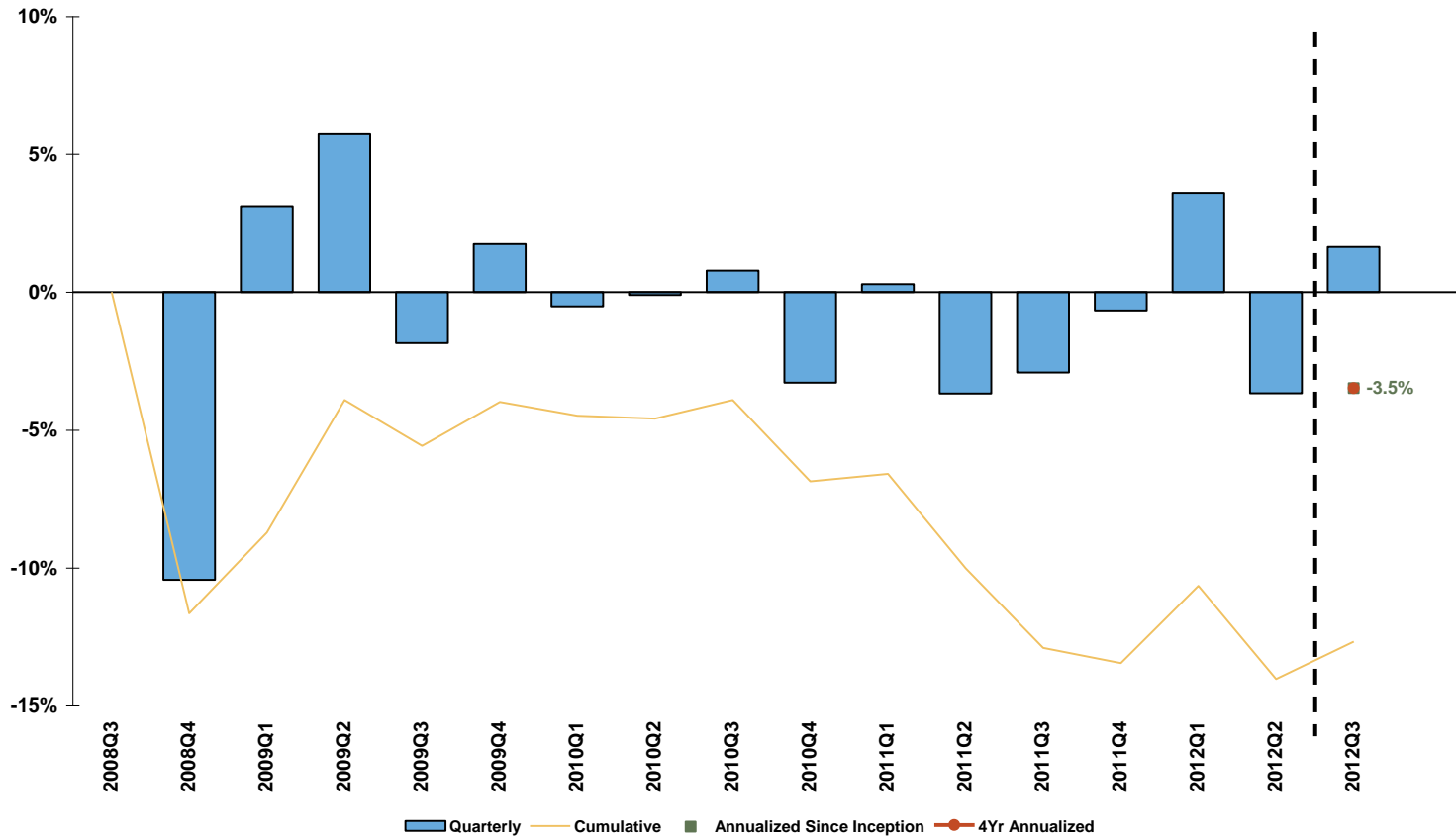
Value Added Over MSCI World Index



- › Value added of +177bps in 3rd quarter
- › T Rowe Price Large Cap added in Q3 2012 (demarcated)
- › Overweight Technology and Financials while Underweight Energy, Materials & Utilities
- › Russell Rank: Hire

Global Stocks – T. Rowe Price Combined

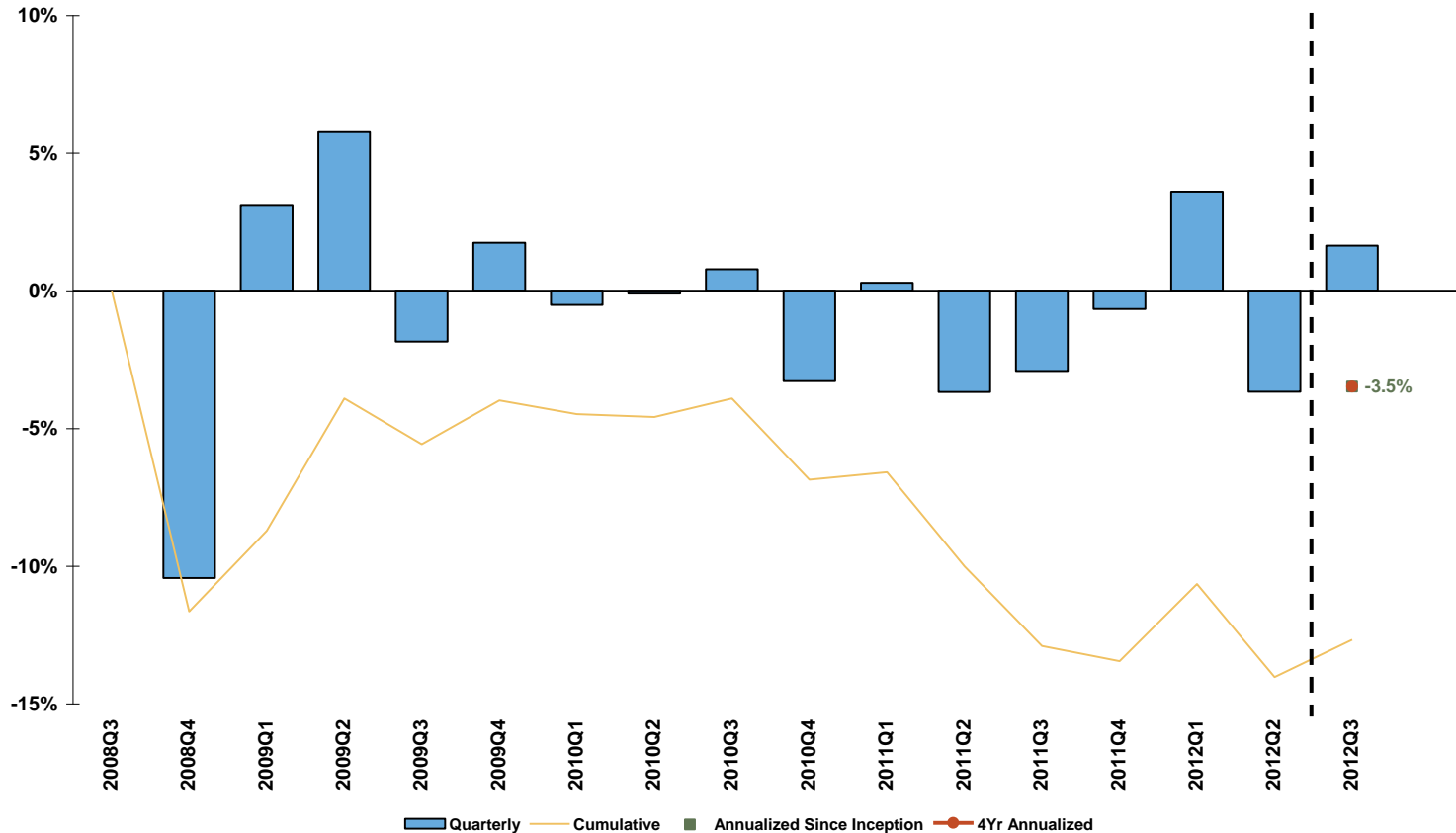
Value Added Over MSCI World Growth Index



- › Value added of +164 bps in the quarter
- › T Rowe Price Large Cap product change in Q3 2012 (demarcated)

Global Stocks – Aberdeen

Value Added Over MSCI World Index



- > Value added of +56 bps in the quarter
- > Aberdeen replaced Mackenzie in Q3 2012 (demarcated)

Global Stock Profile

at September 30, 2012

| | Harris Associates | T. Rowe Price | Global Equity Comp. | Aberdeen | MSCI World Index |
|--|-------------------|---------------|-------------------------|----------------|------------------|
| Portfolio Allocations | | | | | |
| Portfolio Size (\$M) | 39.1 | 40.0 | 79.1 | 3.2 | 24.7 T |
| % of structure | 49.4% | 50.6% | 100.0% | --- | --- |
| Cash | 1.9% | 1.6% | 1.7% | 4.4% | 0.0% |
| Style | | | | | |
| | | | SLIGHT GROWTH BIAS | NEUTRAL | |
| Price/Book | 1.5 x | 2.4 x | 1.8 x | 2.0 x | 1.7 x |
| Price/Earnings (Exc. Neg. Earnings) | 14.2 x | 17.1 x | 15.6 x | 13.5 x | 14.5 x |
| Dividend Yield | 2.5% | 1.6% | 2.0% | 3.5% | 2.8% |
| Price/Cash Flow | 8.8 x | 11.5 x | 10.0 x | 8.6 x | 8.4 x |
| Cap Size | | | | | |
| | | | MC OVERWEIGHT | MC UNDERWEIGHT | |
| Large Cap (Over \$20.9B) | 60.0% | 59.9% | 59.9% | 95.9% | 66.8% |
| Medium Cap (\$3.0B -- \$20.9B) | 37.8% | 38.0% | 37.9% | 0.0% | 31.9% |
| Small Cap (Under \$3.0 B) | 0.0% | 0.0% | 0.0% | 0.0% | 1.2% |
| Market Cap Average Nlog (\$Bil) | 50.8 | 78.5 | 64.9 | 91.5 | 85.4 |
| Sector Weights (Red = 3% or more below index, Green = 3% or more above index) | | | | | |
| | | | SIGNIFICANT SECTOR BETS | | |
| Information Technology | 21.0 | 17.6 | 19.3 | 11.9 | 12.6 |
| Health Care | 1.1 | 11.5 | 6.4 | 12.5 | 10.7 |
| Consumer Discretionary | 27.8 | 10.5 | 19.0 | 1.1 | 10.7 |
| Consumer Staples | 4.2 | 10.5 | 7.4 | 19.0 | 10.9 |
| Energy | 2.4 | 8.5 | 5.5 | 15.3 | 10.8 |
| Materials | 6.0 | 4.0 | 5.0 | 5.1 | 6.9 |
| Industrials | 11.9 | 10.5 | 11.2 | 7.6 | 10.7 |
| Financial | 25.7 | 22.6 | 24.1 | 19.6 | 19.1 |
| Telecommunication Services | 0.0 | 2.8 | 1.4 | 5.8 | 4.1 |
| Utilities | 0.0 | 1.6 | 0.8 | 2.0 | 3.5 |
| Sector Deviation | 25 | 8 | 15 | 14 | --- |
| Country Allocation | | | | | |
| | | | MODERATE BETS | LARGE BETS | |
| United Kingdom | 1.5 | 10.8 | 6.3 | 17.9 | 9.5 |
| Total Europe Ex United Kingdom | 41.9 | 12.0 | 26.7 | 23.3 | 17.2 |
| Japan | 11.7 | 2.1 | 6.8 | 6.1 | 8.2 |
| Pacific Basin Ex Japan | --- | 18.8 | 9.5 | 14.7 | 5.8 |
| United States | 43.6 | 45.7 | 44.6 | 24.0 | 54.1 |
| % in Emerging Market Countries | 1.0 | 23.9 | 12.5 | 16.1 | 0.0 |
| Country Deviation (Equity MV) | 24.2 | 14.6 | 14.9 | 34.5 | --- |
| % in Non Index Countries | 1.0 | 24.2 | 12.8 | 19.8 | --- |
| Concentration | | | | | |
| % in Ten Largest Holdings | 36.2 | 17.3 | 20.5 | 36.0 | 11.1 |
| Number of Holdings | 40 | 137 | 167 | 45 | 1623 |

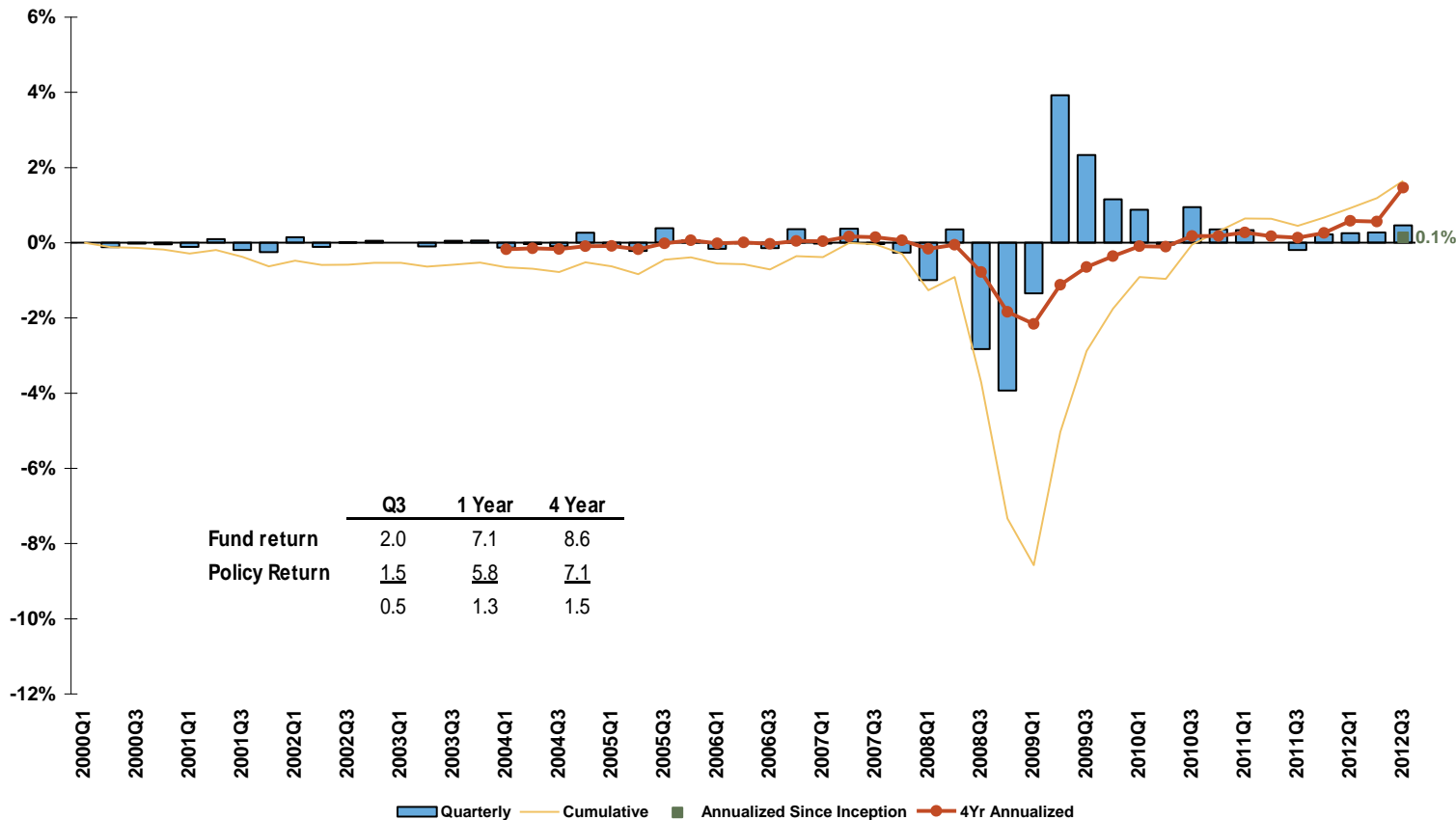
4. Fixed Income Funds



Diversified Bond Fund

Value Added Over Policy*

Added Value of +1.6% over 3 years (1st Quartile)



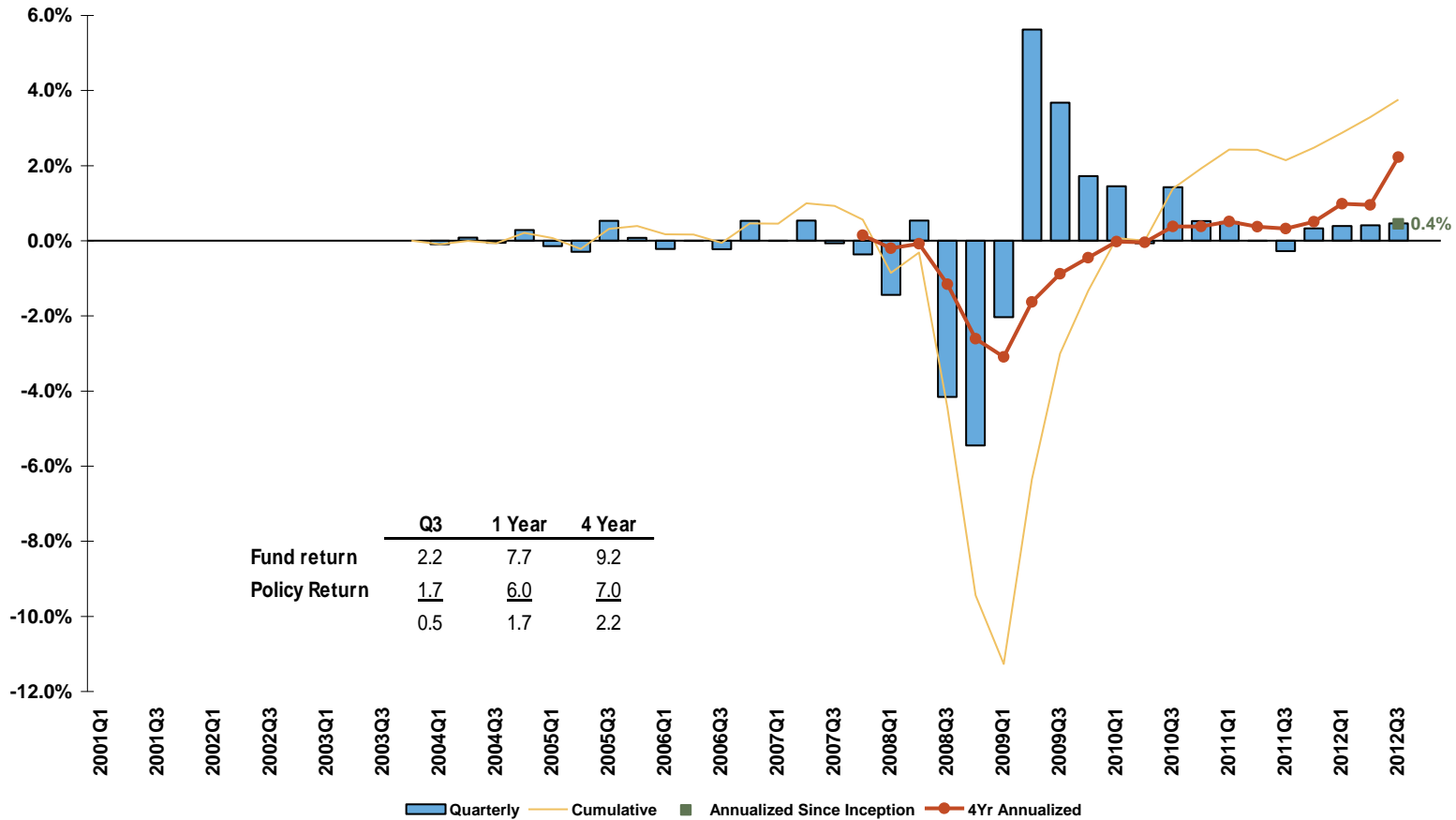
- Outperformed the benchmark by +46 bps in Q3 and by +1.3% over the past year
- Added value over benchmark by +1.5% over 4 years (2nd Quartile)

* Policy: 66.5% DEX Universe Index, 33.5% BC Global Aggregate Hdq CAD since 01/31/07

Bonds – Alliance Bernstein Core+

Value Added Over Alliance Bernstein Benchmark*

Value added of +2.2% over 4 years

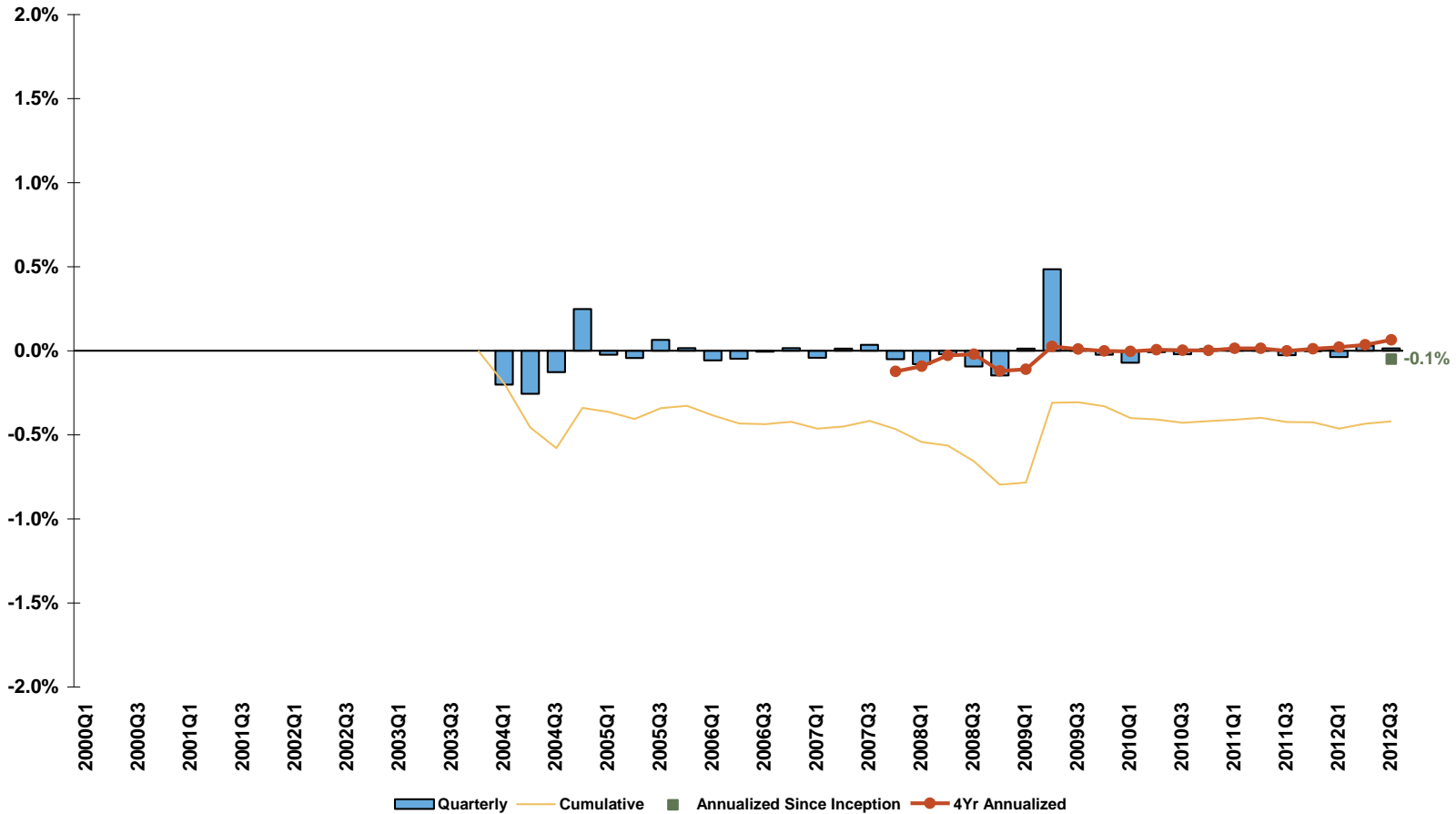


- > Outperformed the benchmark by +46 bps over the quarter
- > Outperformed by +1.7% for the year
- > Russell rank: Hire

Bonds (State Street)

Value Added Over DEX Universe

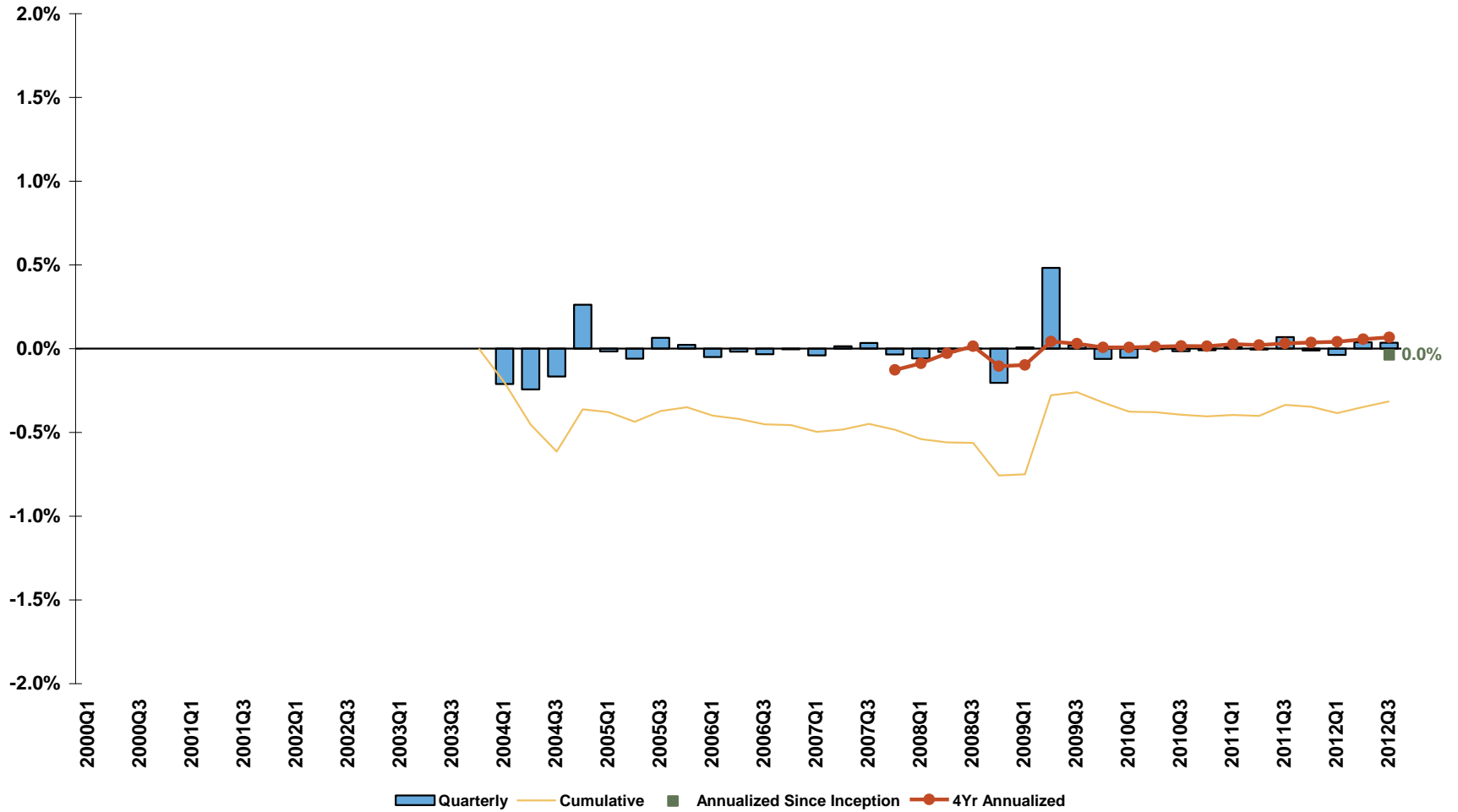
Slightly trailing benchmark since inception



- › Just above benchmark in 3rd quarter (+3 bps)
- › Russell rank: Retain

Canadian Bond Fund - State Street

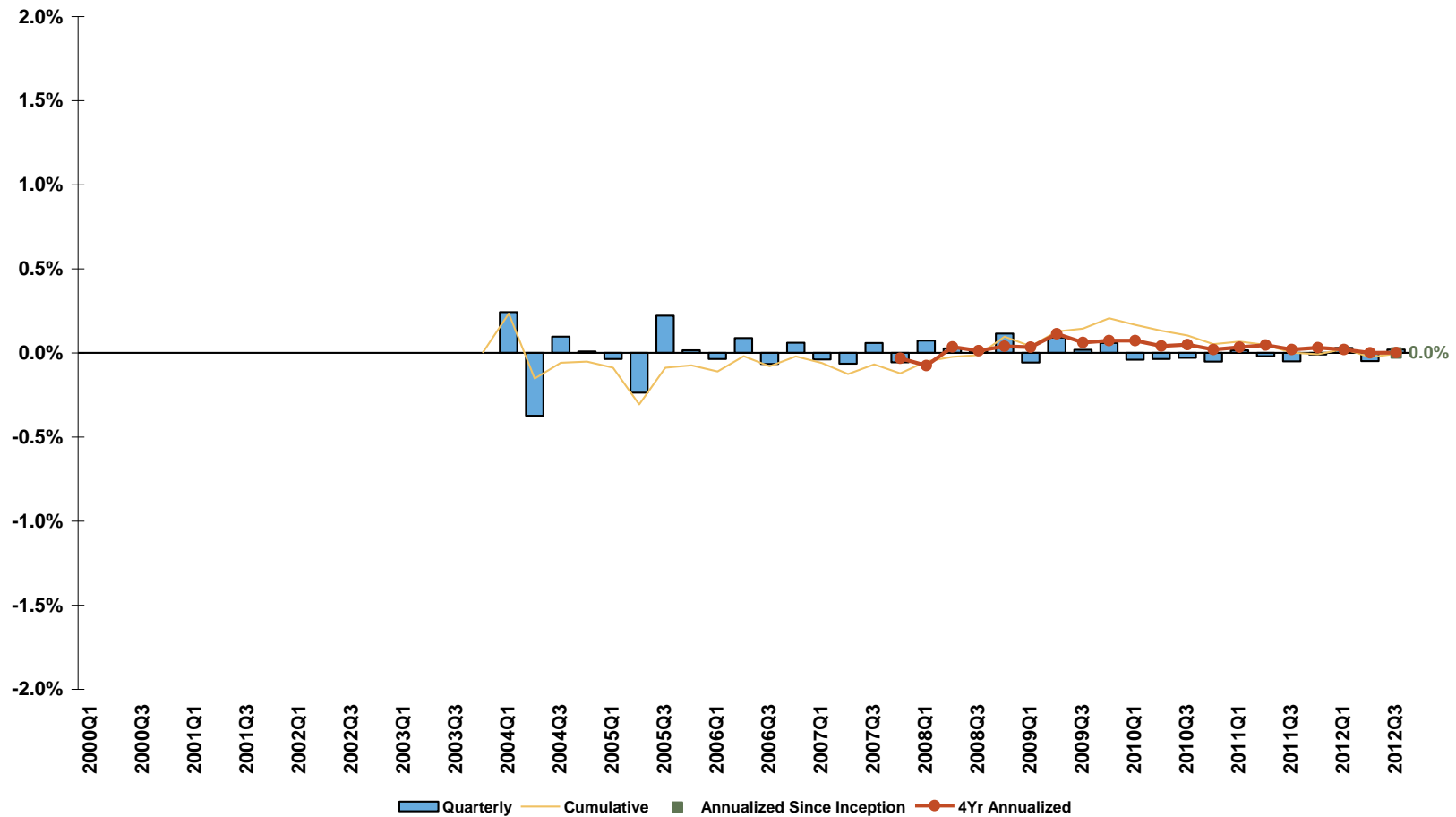
Value Added Over DEX Universe



> Matched benchmark since inception

Long Term Bond Fund – State Street

Value Added Over DEX Long Term Index
Keeping pace with the benchmark



› Russell rank: Low Interest

Canadian Bond Profile*

at September 30, 2012

| | AllianceBernstein | StateStreet | Fund Composite** | DEX Universe |
|--|-------------------|-------------|--------------------------------------|--------------|
| Portfolio Allocations | | | | |
| Portfolio Size (\$M) | \$164.7 | \$73.6 | \$238.3 | |
| % of Structure | 69% | 31% | 100% | |
| Number of Holdings | 304 | 771 | n/a | 1,180 |
| Characteristics | | | | |
| | | | HIGHER YIELD / LOWER DURATION | |
| Modified Duration (Yrs) | 6.3 | 7.1 | 6.5 | 7.0 |
| Yield to Maturity | 2.8% | 2.2% | 2.6% | 2.2% |
| Term Structure (%) | | | | |
| | | | MID TERM OVERWEIGHT | |
| Cash | 8 | 0 | 5 | 0 |
| Short (1-5 years) | 32 | 47 | 37 | 45 |
| Medium (5-10 years) | 41 | 21 | 35 | 26 |
| Long (10+ years) | 20 | 32 | 23 | 29 |
| Sector Weights (% of Portfolio) | | | | |
| | | | PROVINCIAL UNDERWEIGHT | |
| Federal Bonds | 37 | 45 | 39 | 42 |
| Provincial & Municipal Bonds | 13 | 30 | 18 | 31 |
| Corporate Bonds | 29 | 25 | 28 | 27 |
| Foreign Government | 7 | 0 | 5 | 0 |
| Foreign Corporate | 1 | 0 | 1 | 0 |
| Other (MBS, CMBS, ABS, etc.) | 5 | 0 | 4 | 0 |
| Cash | 8 | 0 | 5 | 0 |
| Quality: | | | | |
| | | | LOWER QUALITY BIAS | |
| AAA | 51 | 51 | 51 | 47 |
| AA | 11 | 21 | 14 | 22 |
| A | 17 | 22 | 19 | 24 |
| BBB | 19 | 6 | 15 | 7 |
| Lower than BBB | 3 | 0 | 2 | 0 |

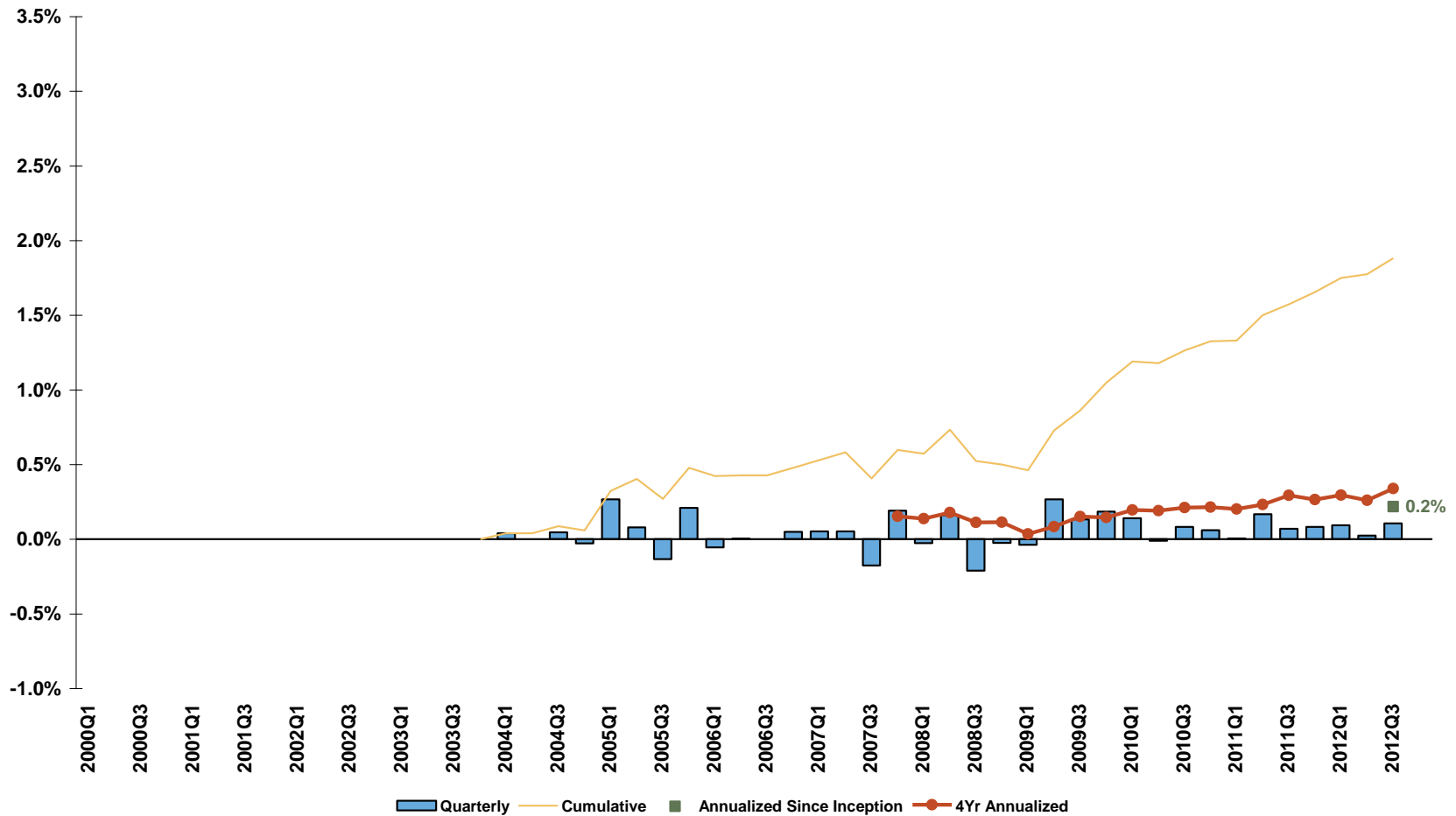
**Fund composite represents a dollar-weighted combination of the manager supplied information

5. Money Market Fund



Money Market – State Street

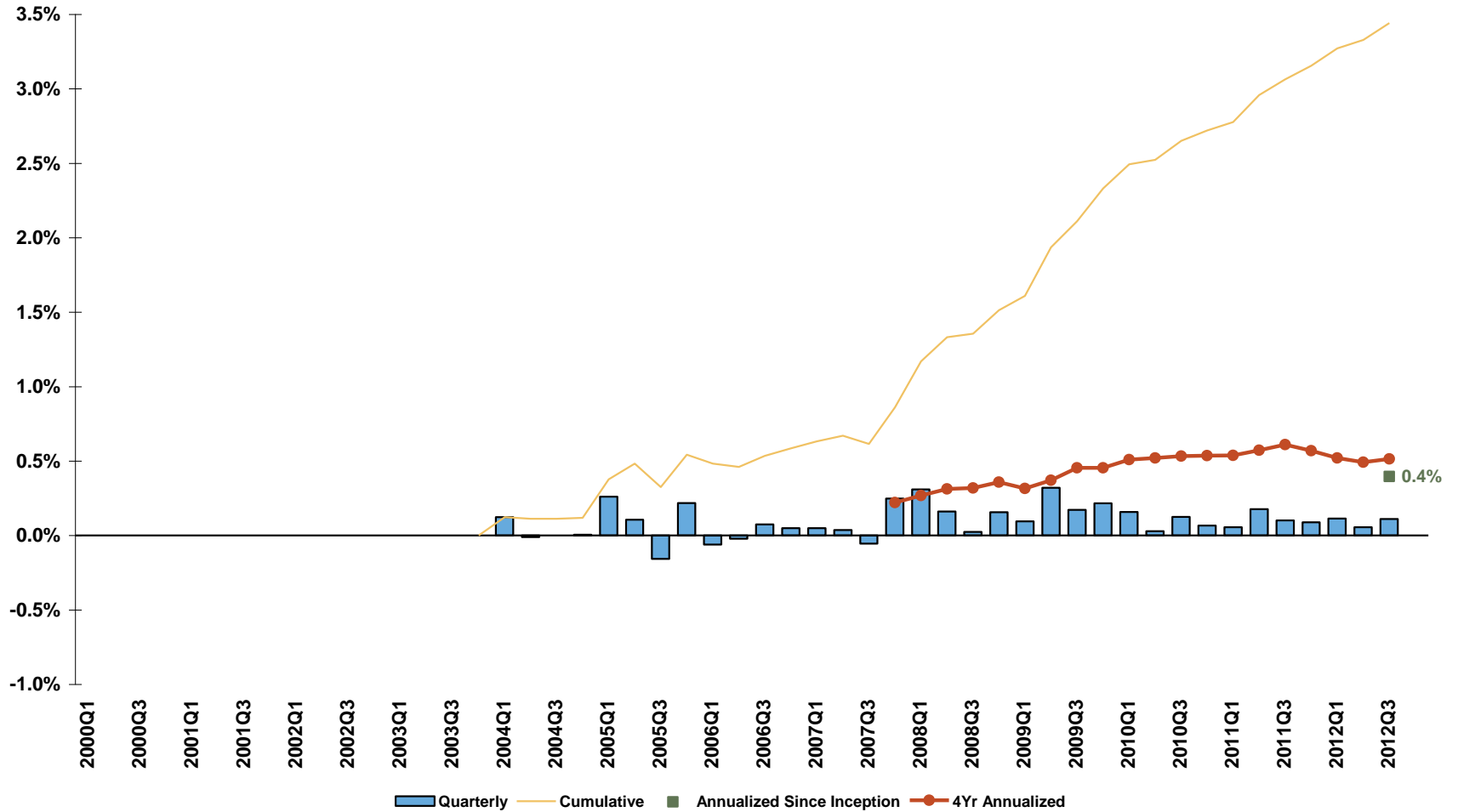
Value Added Over DEX 91 Day T-Bills



- > Outperformed the benchmark by +10 bps for the quarter
- > Value added of +0.2% since inception

Money Market – State Street

Value Added Over DEX 30 Day T-Bills



› Secondary benchmark

6. Target Date Funds



Target Date Funds

Portfolio Positions: September 30, 2012

A. Duration

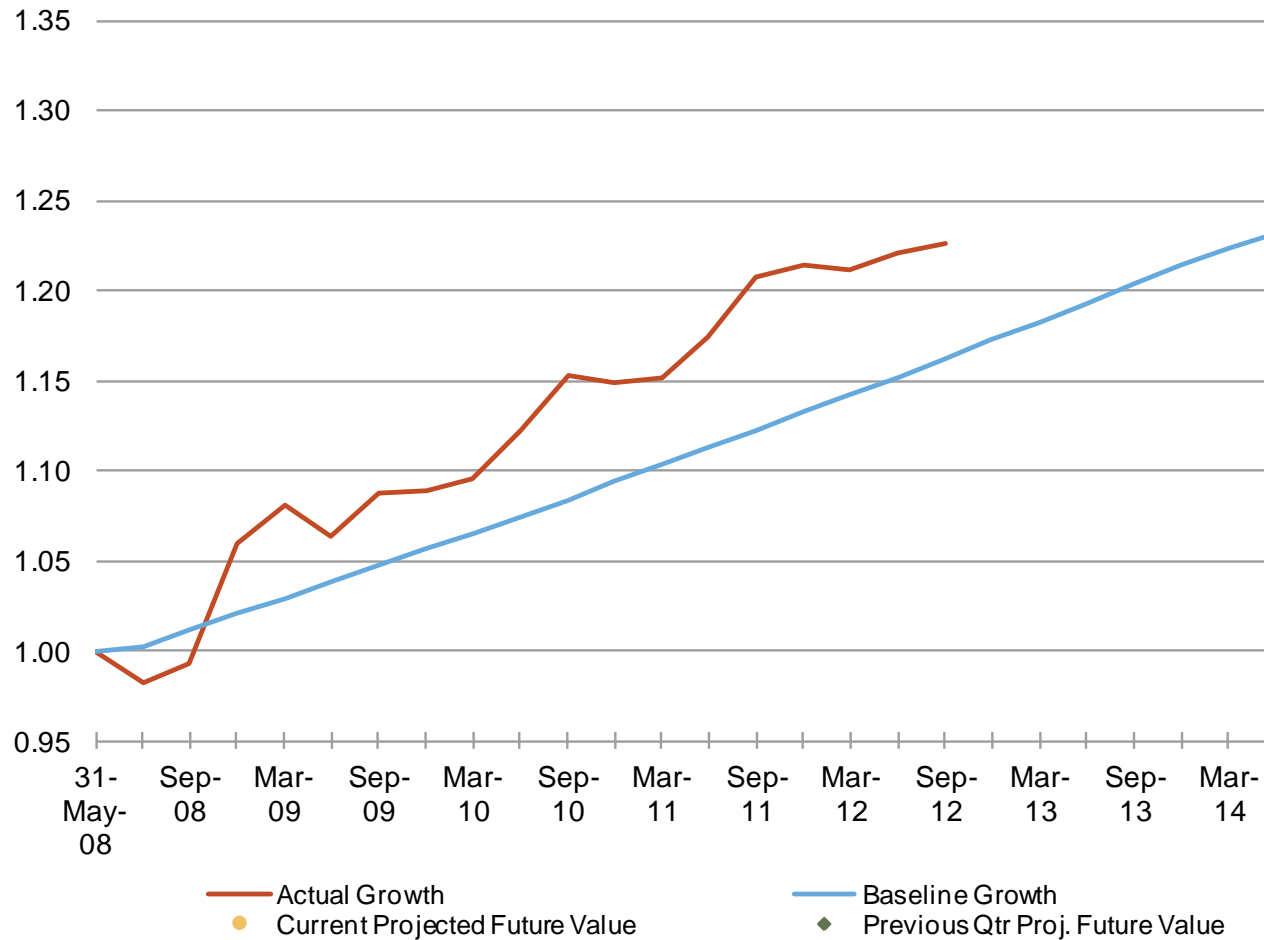
| Fund | Duration | | Deviation | |
|--------------|----------|--------|-----------|---------|
| | Target | Actual | Actual | Maximum |
| June 1, 2014 | 1.67 | 1.75 | 0.08 | 0.08 |
| June 1, 2016 | 3.67 | 3.72 | 0.05 | 0.18 |
| June 1, 2018 | 5.67 | 5.62 | -0.05 | 0.28 |

B. Dispersion

| Fund | Years to Maturity | Short Term Holdings | |
|--------------|-------------------|---------------------|---------|
| | | Actual | Maximum |
| June 1, 2014 | 1.67 | 1.8% | 25% |
| June 1, 2016 | 3.67 | 0.3% | 25% |
| June 1, 2018 | 5.67 | 0.0% | 25% |

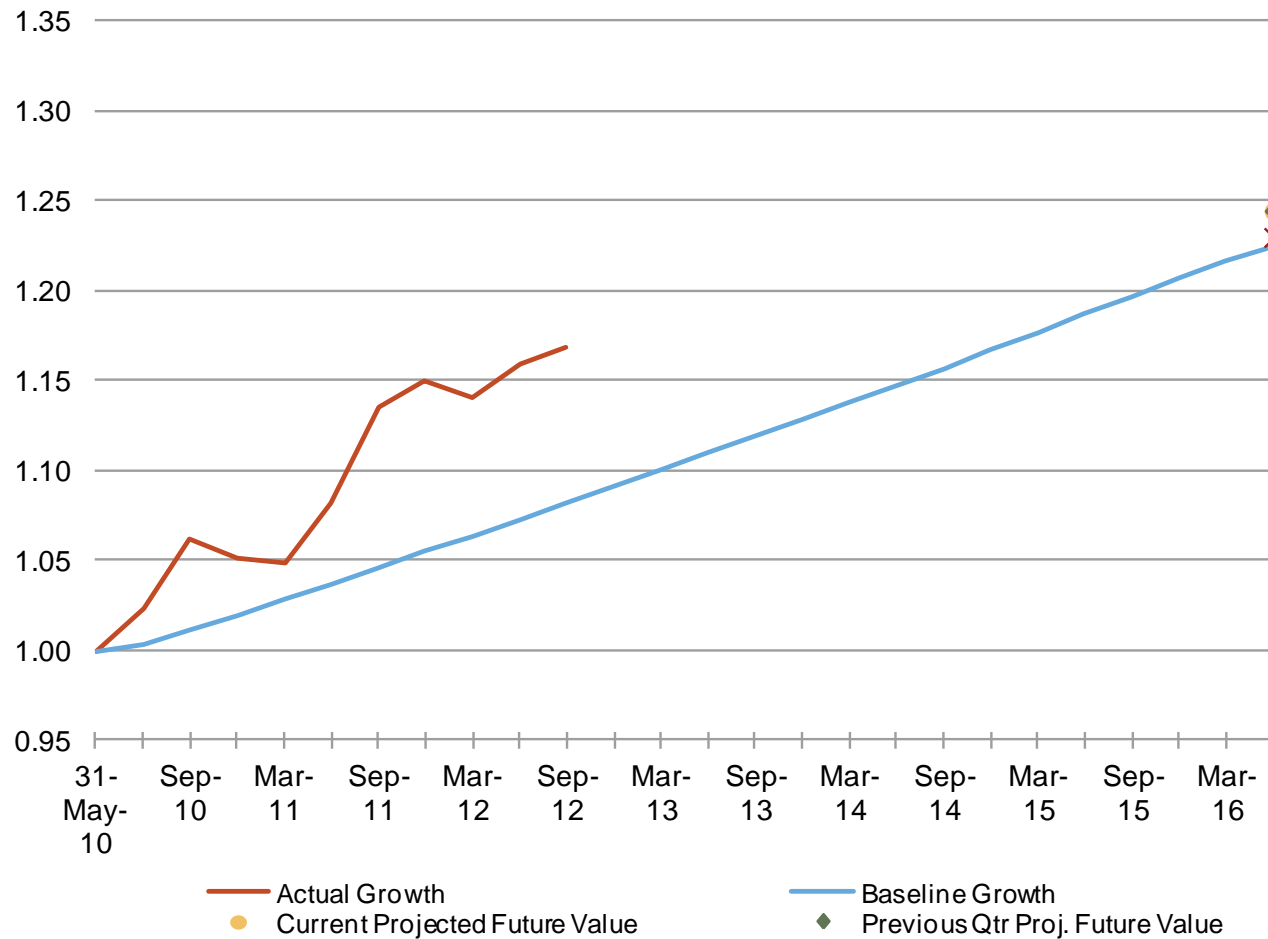
Target Date Fund Performance Tracking

June 1, 2014 Fund – Growth of a dollar



Target Date Fund Performance Tracking

June 1, 2016 Fund – Growth of a dollar



Target Date Fund Performance Tracking

June 1, 2018 Fund – Growth of a dollar

