

JOINT PENSION BOARD MEETING

March 11, 2009

1:00 p.m.

SSB 4220

PRESENT: Pat Loria, Ab Birch, Michelle Loveland, Stephen Hicock, Stephen Foerster, Martin Bélanger, Louise Koza, Bruce Curwood, Ann Jones, Andrea Magahey, Deirdre Chymyck.

Guests: David Paribello (Robarts), Sheila Doherty (Mackenzie)

By Conference Call: Samantha Fitzpatrick, Ella Kara Brown, Maree Mitchell of Aberdeen Asset Management

Regrets: Lonnie Wickman, Stu Finlayson, Jane O'Brien,

Item 3. Mackenzie Investments/Aberdeen Asset Management Presentation

Sheila Doherty of Mackenzie Investments presented the Annual Review with Samantha Fitzpatrick, Ella Kara Brown, and Maree Mitchell of Aberdeen Asset Management participating by conference call. The board was informed that the cost controls taken by Mackenzie Investments in the current economic environment include a small lay-off of 38 people and a hiring freeze since summer 2008. There has been an increase in institutional assets with the purchase of a small mutual fund company (Saxon), and they have not lost any major clients. Aberdeen is subject to annual due diligence, mandate, and performance reviews, performed by Mackenzie's Chief Investment Officer.

Sheila Doherty advised that given that the minimum requirement of a \$5 million investment for institutional investors in the series O units Mackenzie Universal Sustainable Opportunities Class, as detailed in our agreement with Mackenzie, has not been met by Western within the prescribed time period, likely due to the economic conditions, an additional 18 months to February 2011 would be granted to meet this requirement. A letter confirming this amendment will be sent to Western.

Mackenzie has a Business Continuity Plan and a Disaster Recovery Plan. The location is in Mississauga, Ontario with records back-up and key people have access to work from home if necessary. Records are backed-up nightly and stored in London, ON. Fund managers have the capability to work remotely.

M. Bélanger asked that the following reports be made available to UWO: Quarterly Commentary, Quarterly Portfolio Disclosure and Top 10 Holdings with explanations.

S. Fitzpatrick reported there were no changes in the Global Equity team and no changes with the SRI team. The performance summary to the end of January 2009 was reviewed with an update of February figures (-8.3% vs. -8.1% benchmark). There have been no

changes in the portfolio philosophy. The board was informed that to build an active position Aberdeen starts with 1% and builds over time to a maximum of 5% of one stock.

S. Foerster asked whether the MSCI World Index was the most appropriate benchmark to use considering the small allocation to U.S. by Aberdeen. S. Fitzpatrick informed the board that Aberdeen is not benchmark sensitive at all and that the portfolio may significantly vary from the benchmark. The Global Equity and SRI asset decision making processes were reviewed with the board.

The biggest sector weighting in the portfolio is financials, with no U.S. financial institutions, and they have added a small UK institution with most of its holdings in Asia. Over the past year Aberdeen has been more active and has taken advantage of good companies whose values have been harmed by the whole economic meltdown including Marks and Spencer who adhere to international rules regarding child labour and a Japanese robotic company with good labour practices and environmental record. They have divested themselves of Kraft who have experienced an increase in Health and Safety incidents and have not made any progress in improving their record. Aberdeen continues to monitor the Kraft situation.

Aberdeen does not foresee an early end to the current economic downturn; the biggest concerns are the number of job losses and that no one is willing to spend. Governments and corporations are being proactive and are working to get the economy moving; however the financial situation is driving equity performance and everyone is watching costs.

E.-K. Brown noted that banks and investment firms are shutting down their SRI research departments, as investors are shying away from constraining investments; however, E.-K. Brown noted they are getting positive feedback by the application of a new model with an approach which combines positive and negative screens.

M. Bélanger asked if there were any compliance issues. S. Doherty confirmed there are no compliance issues; M. Bélanger will send a compliance certificate for signing. There are no litigation issues either.

L. Koza Mackenzie asked if the Aberdeen review is similar to the review performed at this meeting. Yes. S. Doherty will send the following information to M. Bélanger: comparison of returns between the screened and the unscreened global equity portfolios, comparison with a peer group, as per S. Foerster request, and a summary of the last OSC review.

2. Approval of February 9, 2009 Minutes

Motion to approve: L. Koza, Seconded by S. Foerster.

4. Fourth Quarter Performance Review

B. Curwood informed the board that “there is no place to hide”. We have to go back about 4 cumulative years to get positive returns in Canadian equities. The balanced portfolios are down due to poor bond performance and all segments of the Diversified Equity Fund (Canada, U.S., EAFE and global equity) were significantly down in 2008. Within the Canadian Equity Fund 3 of the 4 managers have underperformed the benchmark in 2008 and the US Equity funds long-term performance are affected by the ABCP issue.

5. Highstreet Asset Management Review

There are 2 issues that were brought to the board’s attention during the review process: 1) if the TSX falls below 7,000 there will be lay offs, but not on portfolio team. The layoffs will affect administrative and marketing staff. 2) Jeff Brown is considering retirement however Shaun Arnold will continue as the lead portfolio manager. Highstreet is ranked as a Hire by Russell Investment Canada.

6. Pension Newsletter Content

L. Koza expressed concern regarding the Tax Free Savings Account article and suggested replacing it with an article pertaining to the Retirement Incentive Program and/or including an article regarding Bill 133 and Pension Splitting, which A. Magahey will review. An article encouraging members to enroll in Voluntary Contributions was also suggested.

7. Year End Reporting

The board was updated on the progress of the Pension Statement mailing and reminded of the dates of the members’ presentations.

Motion to Adjourn: L. Koza

Seconded: A. Birch

Meeting adjourned at 3:10