Contents

The beliefs and opinions throughout this Report are those of the Joint Pension Board. They do not purport to be financial advice nor should they be relied upon in making your investment choices and decisions.

Data on market indices provided by the Frank Russell Company.

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How to Read this Report

An overall summary of the investments for the Pension Plans and Retirement Income Funds is contained within the first 12 pages of this report. Points that may be of particular interest to members are highlighted in bold print throughout the report. In each of the fund descriptions (pages 14-33), more detailed facts and figures are noted in the **Fund Facts.**

The **Glossary** contains terminology pertinent to the information within this report and you will notice reference to the Glossary in some sections to assist you in your understanding of the plans. Contact Human Resources at (519) 661-2194 if you have any questions about this report.

This report has been prepared to provide members of the Western retirement plans with clear and complete information with respect to the investment of their retirement savings. In this report you will find detailed data on the investments under the plans, an analysis of investment performance experienced by members and by each asset class. **We hope this document serves as a key resource for your retirement planning.** We encourage you to take advantage of our member education and communication services outlined on page 12 of this report and to consult your own financial advisor with any investment decisions related questions you may have. This information is available on our web site at www.uwo.ca/humanresources

Introduction

The University sponsors two defined contribution pension plans and administers over 300 individual Retirement Income Funds, providing retirement investment opportunities to over 6,400 individuals. The combined assets allocated under the University program amounts to approx. $1.2 billion as at December 31, 2008.

The return on invested contributions is key to the success of the programs and is generally of highest interest to our program members; therefore, we begin this report by addressing this important topic. It is important that all members note that they are responsible for directing the investments of all contributions made to the plan on their behalf. Your investment decisions can make a significant difference in the amount of retirement income payable to you. Even a 1% difference in return over time can lead to a 20% difference in retirement income.

Throughout the report you will note that the investment fund options have been grouped according to 3 tiers.

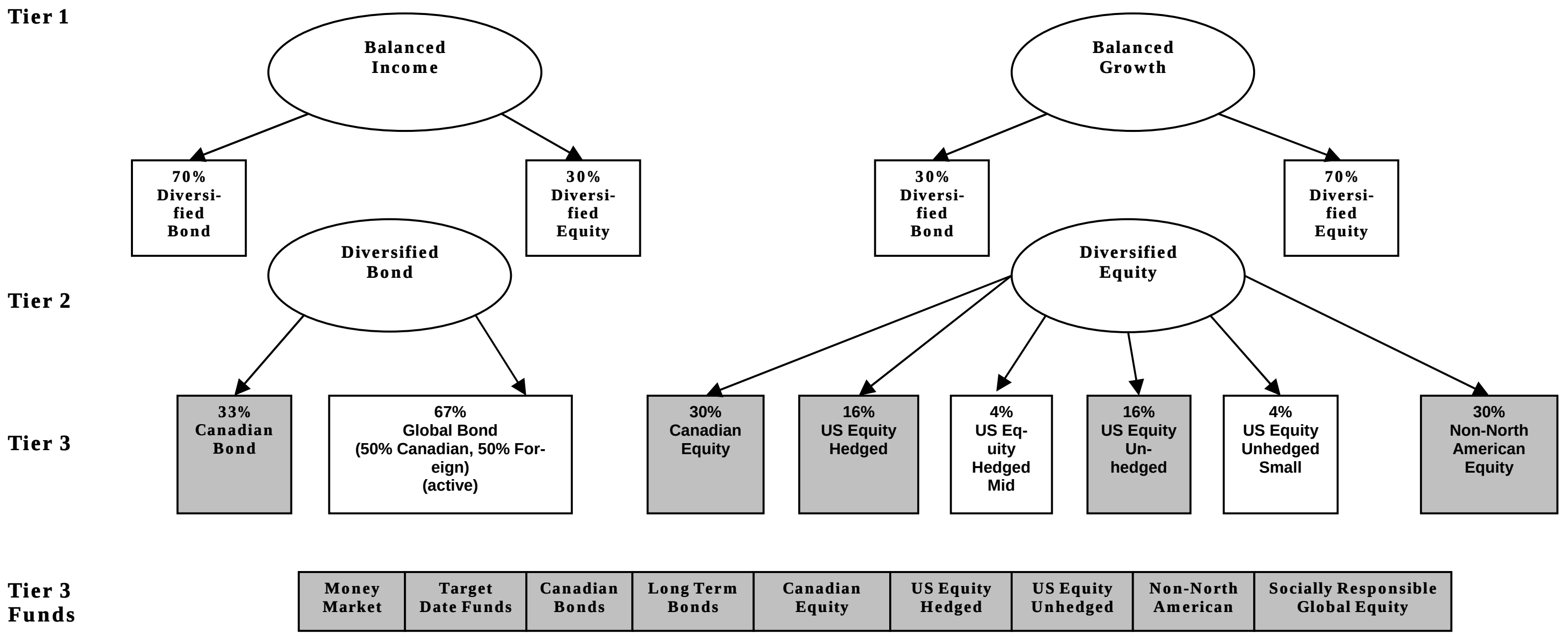
Tier 1 funds refer to the most diversified fund options available to members made up of stocks (also known as equities - see Glossary) and bonds. They have been designed for investors who are looking for guidance on their investment allocation. The building blocks for the Tier 1 funds are the Tier 2 funds. That is, the Balanced funds are simply pre-set mixes of the Diversified Bond and Diversified Equity funds. For further information on these Tier 1 Balanced funds refer to pages 14 – 16 of this report.

Tier 2 funds provide investors with well diversified portfolios within each asset class of bonds and equities. These funds may be used by investors who have understood their objectives and choices enough to determine the level of exposure to each broad asset class but do not have the knowledge or temperament to make further decisions on the specific strategies within each asset class. Some of the building blocks for Tier 2 funds are found in the Tier 3 funds. More details on the Tier 2 funds can be found on pages 17-20 of this report.

Tier 3 funds are specific strategies for investors with very specific objectives. They have been designed primarily for members who have been active in their investment education and strategy development. More details on the Tier 3 funds can be found on pages 21 – 33 of this report.

Introduction and Report Purpose

Western Investment Funds
Tier 1 and Tier 2 Composition



How Investment Funds Work As a member of the Western Retirement Plans, you have been asked to direct the investment of every dollar allocated to your account. The allocation specified as a percentage of your total account can be from 0% to 100% towards any one or combination of the investment funds for the plans (restrictions apply for RIF members and Special Members).

The amounts allocated to each fund are used to buy units of the investments. By way of example there are in excess of 2.6 mil-lion units owned by members investing in the Diversified Equity Fund. The total number of units in any fund will change by members making additional allocations or by directing an inter-fund transfer into or out of the funds.

As the securities in each fund increases or decreases in market value and as interest and dividends are earned, the value of each unit changes. Your entitlement in that fund is equal to the number of units you own multiplied by the most recent unit value for that fund.

For example, suppose the amount of December 2008 contributions were as follows:

Your contributions	$ 50.00
University contributions on your behalf	150.00
TOTAL	$200.00

Further, assume the member directed 50% of these contributions to the Diversified Bond Fund ($100) and 50% to the Diversi-fied Equity Fund ($100). In the case outlined above, at December 31, 2008 the unit value of the Diversified Bond Fund was 144.993 and the unit value of the Diversified Equity Fund was 223.393. With $100 allocated to each fund at December 31, 2008, the member would have purchased

0.6897 units of the Diversified Bond Fund $100/144.993) and
0.4476 units of the Diversified Equity Fund ($100/223.393).

By January 31, 2008 the unit values of these funds were 145.484 and 208.749 respectively. The relative change in the unit values represents the rate of return on the fund for the month of January. That is, the rate of the return for the month can be found using the following formula:

$$\frac{\text{Unit value at end of period}}{\text{Unit value at beg of period}} - 1 = \text{\% return of the fund for the period}$$

e.g. $\frac{145.484}{144.993} - 1 = .0034 = .34\%$ = return on Diversified Bond Fund for January

$\frac{208.749}{223.393} - 1 = -.0656 = -6.56\%$ = return on Diversified Equity Fund for January

Diversified Bond Fund:	0.6897 x 145.484 =	$100.34
Diversified Equity Fund:	0.4476 x 208.749 =	93.44
TOTAL:		$193.78

Rates of Return by Investment

Fund Rates of Return as at December 31, 2008
(Annualized rates)

INVESTMENT FUNDS	1-year	3-years	5-years	10-years	Since Inception	Inception Date
Tier 1						
Balanced Income Fund	-11.27%	-0.22%	2.64%		3.86%	October 1, 2001
Balanced Income Fund B	-11.51%					October 1, 2007
Balanced Growth Fund	-24.36%	-4.39%	1.23%		2.61%	October 1, 2001
Balanced Growth Fund B	-25.35%					October 1, 2007
Tier 2						
Diversified Bond Fund	-1.27%	2.43%	3.38%	4.58%	9.01%	March 1, 1978
Diversified Equity Fund	-33.40%	-7.69%	-0.02%	1.00%	9.14%	March 1, 1978
Diversified Equity Fund B	-34.09%					October 1, 2007
Tier 3						
Money Market Fund	3.18%	3.91%	3.39%	3.70%	5.53%	January 1, 1988
Market: SCM 91-day tbill Index	3.33%	3.91%	3.32%	3.69%		
Target Date Fund June/2010	7.76%	5.05%			5.72%	June 1, 2004
Target Date Fund June/2012	10.53%				7.30%	June 1, 2006
Target Date Fund June/2014	7.68%				7.68%	June 1, 2008
Canadian Bond Fund	6.17%	4.58%	5.38%		6.59%	April 1, 2000
Market: SCM Universe Bond Index	6.41%	4.71%	5.54%	5.99%		
Long Term Bond Fund	2.75%	3.37%	6.71%		6.72%	July 1, 1998
Market: SCM Long Bond Index	2.66%	3.39%	6.76%	6.59%		
Canadian Equity	-35.97%	-5.77%	3.93%	5.54%	5.88%	May 1, 1997
Market:S&P/TSX Index	-33.00%	-4.80%	4.16%	5.34%		
US Equity Hedged Fund	-39.59%	-11.17%	-4.09%	-2.65%	1.33%	May 1, 1997
US Equity Hedged Fund B	-39.11%					October 1, 2007
Market:S&P 500 Index- Hedged	-40.40%	-11.14%	-4.08%	-2.69%		
US Equity Unhedged Fund	-22.19%	-7.24%	-3.63%	-4.24%	0.86%	May 1, 1997
US Equity Unhedged Fund B	-24.89%					October 1, 2007
Market:S&P 500 Index-Unhedged	-21.20%	-6.66%	-3.08%	-3.51%		
Non-North American Equity	-34.14%	-7.19%	1.46%	0.62%	1.62%	May 1, 1997
Market:MSCI EAFE Index	-28.78%	-5.19%	1.17%	-1.01%		

Investment returns provided here are net of management and trustee fees. To see a detailed explanation of the fees incurred refer to page 8 of this report.

It is difficult to judge the performance of the investments without understanding the nature of the market environment during the same time period. We know that a one year return of 15% looks good, but how does it compare to the performance of other similar assets during the same time period? To assist in addressing this question we have provided "market benchmark" performance data for relevant funds in the chart (right). The abbreviations in italics following certain funds in Tier 3 provide appropriate market benchmark data for the fund preceding it in the list.
The Target Date funds are specialized funds. No market benchmark exists for these funds – instead, expected future returns for these funds are compared to Guaranteed Investment Certificates (which have similar investment characteristics to Target Date Funds) and are illustrated on page 23 of this report.

The glossary in this report can be referenced to determine the exact description of each market benchmark noted on the right.

Investment Fund Commentary

Market Summary

2008 was a challenging year for investors. Volatility was extreme and the financial crisis that hit us in the fall left very few places to hide. Equity markets were down all over the world. In addition, 2008 was a tough year for active managers, including those managing money for the Western Retirement Plans. Our actively managed equity funds (Diversified Equity, Canadian Equity and Non-North American) all underperformed their benchmark, in part because of forced selling by overleveraged investors. Our equity funds returned between -22.19% and -39.59% for the year.

Money market and fixed income was a brighter spot, with six of our 7 funds posting positive returns, ranging from 3.18% to 10.53%. Only the Diversified Bond Fund had a negative return in 2008, due to its overweight in corporate bonds.

The financial crisis also delayed the implementation of the asset-backed commercial paper restructuring plan. Fortunately, with the support of the Canadian Government and three Canadian provinces (Ontario, Québec and Alberta), all the parties involved reached an agreement in December. The restructuring plan was implemented in January 2009.

A summary of market performance by asset class follows:

Annualized Returns

Market Index	1 year return	3 year return	5 year return
Cash/Money Market Funds	4.43%	3.66%	3.24%
DEX 91-Day T-Bills			
Bonds	3.68%	4.73%	5.60%
DEX Universe Bond Index			
DEX Long Term Bond Index	3.44%	7.02%	8.07%
Lehman Br Global Agg Bonds (Hdg CAD)	4.51%	3.59%	4.24%
Equities			
S&P/TSX Composite Index	9.83%	16.93%	18.32%
S&P 500 (unhedged)	-10.53%	1.82%	2.70%
S&P 500 Hedged	2.78%	6.92%	12.14%
MSCI EAFE (unhedged)	-5.32%	9.97%	11.12%
Canadian versus U.S. Dollar	17.91%	6.68%	9.86%

What's New

We announced in last year's annual report that the Joint Pension Board was working on enhancing the Diversified Equity Fund. This work culminated in October with the hiring of Harris Associates and T. Rowe Price to manage approximately 17.5% of the Diversified Equity Fund, to be invested in global equities. Harris Associates is a value manager and T. Rowe Price is a growth manager. These new mandates were funded by eliminating the large cap U.S. equity unhedged component and by reducing the U.S. small and mid cap components from 4% to 2.5%. Half of the fund is exposed to currency fluctuations, as before the restructuring.

The Socially Responsible Global Equity Fund was launched in March 2008 for members of the Pension Plans. The Fund was made available to members of the RIF program in 2008. Unfortunately the Fund was negatively impacted by the poor performance of the world equity markets and the redemption restrictions placed on five funds have most likely prevented some members from investing in the Fund. Nevertheless, as of December 31, 2008 the Fund had $1.5 million in assets.

The Joint Pension Board also took some measures in late 2008 to further reduce the risk of the Money Market Fund, even though the Fund was already the least risky Fund of all the investment options. Since this Fund is used by members looking for a temporary place to invest their money, the Joint Pension Board felt that reducing the risk of the Fund to an even lower level was in the members' best interest. Lower risk will be achieved by limiting the allocation to corporate securities and limiting the proportion of the Fund invested in securities with a term to maturity greater than one year.

Finally, we reported in last year's annual report that we expected to resolve the issues related to the presence of non-bank asset-backed commercial paper before the end of 2008. Unfortunately, legal challenges and the financial crisis made this impossible. However, the restructuring plan was finally completed in January 2009. The Joint Pension Board's intent is to remove the redemption restrictions on the restructured notes once a liquid market for these new notes develops. When the redemption restrictions have been removed we will merge the new "B" funds with the old ones. Members will then have to evaluate between selling at a discount and recuperating their ABCP money over time. At that time we will provide information about those alternatives for members to consider.

Western Tier 3 Fund Performance

Money Market Fund

The **Money Market Fund,** which invests in very short-term loans or debt securities, has returned 3.18% in 2008, slightly underperforming the benchmark return of 3.33%. The fund's return was lower than the return of 4.53% achieved in 2007 due to overall declines in short-term interest rates that have occurred in Canada in 2008, as predicted in last year's report. The Bank of Canada has reduced its key interest rate several times during the year, from 4.25% at the beginning of the year to 1.50% at the end of 2008. The Bank of Canada has already reduced its key interest rate by an additional 50 basis points in 2009. Currently, a 91-day treasury bill provides an annualized return of 0.60%. As such, lower returns should be expected for this fund in 2009. Despite being the safest fund of the Western Retirement Plans, the Joint Pension Board took some steps in 2009 to further reduce the risk of the fund by limiting the proportion of the fund that can be invested in corporate securities and in securities with a maturity greater than one year.

Canadian Bond Fund

The **Canadian Bond Fund** invests in a variety of bonds and debt securities (with maturity dates between 1 and 30 years). In 2008, the fund produced an annual return of 6.17% slightly below the DEX Universe index return of 6.41%. The Canadian Bond Fund is managed passively and is expected to closely follow the DEX Universe index. If prevailing interest rates rise by even 1%, this fund could experience a capital loss of over 5% in a year, reducing the overall return. Conversely, if interest rates fall, the investment may experience a gain exceeding the expectations of investors.

Long Term Bond Fund

The **Long Term Bond Fund** invests in Canadian bonds and debt securities due to mature between 10 and 30 years from now. In 2008, the fund produced an annual return of 2.75% compared to the DEX Long Term Bond index return of 2.66%. The Long Term Bond Fund is managed passively and expected future returns will therefore closely follow the DEX Long Term Bond index. The Long Term Bond Fund has returns that are more volatile than the Canadian Bond Fund since the longer term nature of the portfolio makes the securities more sensitive to interest rate changes. If long-term rates increase (decrease) by 1%, the Long Term Bond Fund can experience a market loss (gain) by about 10%. Due to its greater volatility , the performance of long-term bonds has been more negatively impacted than the Canadian Bond Fund by the financial crisis. The financial crisis caused a significant widening of spreads of corporate and provincial bonds.

Target Date Funds

The **Target Date Funds** are portfolios of government bonds, each with a specific date on which it will terminate - the "target" date. There are three Target Date Funds that our plan members can invest in and their termination dates are June 1st of 2010, 2012 and 2014 respectively. These funds have been designed to provide capital preservation for investments over time, a predictable future return if held to maturity and at the same time allow members to move in or out of the funds monthly. The returns experienced are consistent with the returns on Government Bonds with similar terms to maturity.

Canadian Equity Fund

The **Canadian Equity Fund** had extremely poor results in 2008 with a return of -35.97%, underperforming the S&P/TSX Composite Index return of -33.00%. The Canadian stock market posted its worst return since 1931. Due to its very large exposure to the Energy and Materials, the Canadian stock market is highly sensitive to commodity prices. With the price of several commodities declining in 2008, oil in particular, Canadian equities were hit hard. The outlook for Canadian stock is uncertain as it is linked to the global economic recovery. The fact that Governments all over the world have taken unprecedented steps to stimulate the economy is a positive development for the Canadian stock market though. As the stock market start anticipating an economic recovery, commodity prices will gain, which in turn will benefit the commodity rich Canadian stock market.

US Equity Funds

The **US Equity Funds,** which track the largest 500 US companies (a passive strategy), experienced comparable returns to the overall US experience as represented by the corresponding index.

The return for the **US Equity Unhedged Fund** and **US Equity Unhedged Fund B** (-22.19% and -24.89% respectively) were above those for the **US Equity Hedged Fund** and **US Equity Hedged Fund B** (-39.59% and -39.11% respectively) as a result of the weakening of the Canadian dollar versus the U.S. dollar over the past year. An appreciation of the Canadian dollar relative to the US dollar generally results in a lower return for the US Equity Unhedged fund as compared to the US Equity Hedged fund. The "B" funds were created in late 2007 to handle new member contributions because of the presence of non-bank asset-backed commercial paper in the two original funds.

Non-North American Fund
The **Non-North American Equity Fund** invests mostly in securities issued by companies based outside of North America, mostly from developed countries. The fund is also allowed to have a small component invested in developing countries, such as Brazil, Russia, India and China. The fund was affected by the poor equity returns around the world and posted a return of -34.14% which was lower than the MSCI EAFE Index return of -5.32%. The fund's return was positively impacted by the weakening of the Canadian dollar in 2008.

Socially Responsible
The **Socially Responsible Global Equity Fund** was added to the Western Pension Plans in March 2008

Global Equity Fund
to the Western RIF program in September 2008. The Fund invests in stock markets from all over the world, including developed markets located in Canada, the United States, Europe and the Far East, but also in emerging markets such as Brazil, Russia, India and China. The Fund invests in Mackenzie Universal Sustainable Opportunities Class, whose portfolio managers are Aberdeen Asset Management. After an initial stock selection is made, some ethical screens are applied to the portfolio by Aberdeen. All of the portfolio's non-Canadian investments are exposed to fluctuations in foreign currencies relative to the Canadian dollar. The Fund's posted a return of -24.78% for the 10 month period it was available in 2008, underperforming the MSCI World Index return of -18.55%.

Western Tier 2 Fund Performance

Diversified Bond Fund
The **Diversified Bond Fund** invests in Canadian and non-Canadian bonds and debt securities of various durations. The normal stance of the fund is to invest 66.5% of its assets in Canadian bonds and 33.5% in non-Canadian bonds. Less than 20% of the fund's assets may be exposed to currency fluctuations. Approximately 33% of the portfolio is passively managed by State Street Global Advisors in the same manner as the Canadian Bond Fund while the remaining of the portfolio (67%) is actively managed by AllianceBernstein with a strategy that invests in Canadian and non-Canadian bonds. The benchmark for this fund is a combination between the DEX Universe Bond Index (a Canadian Bond index) and the Barclays Capital Global Aggregate Index Hedged (a global bond index). The fund had a return of -1.27% in 2008, underperforming the benchmark return of 6.18%. The component managed by State Street Global Advisors performed in line with expectations. The fund underperformance was caused by AllianceBernstein's decision to overweight corporate bonds in its portfolio. When corporate spreads significantly widened in the fall of 2008, AllianceBernstein underperformed its benchmark.

Diversified Equity Fund
The **Diversified Equity Fund** and the Diversified Equity Fund B both invest in Canadian, U.S. and international equities. Two new global equity mandates were added to the Diversified Equity Fund in October 2008. As of the end of 2008, the Diversified Equity Fund And the Diversified Equity Fund B had slightly different compositions, although they have the same regional allocations and the same level of risk. Both funds had comparable returns in 2008 (-33.40% for Diversified Equity and -34.09% for Diversified Equity Fund B). The benchmark return (which is a blend of the benchmark for each of the underlying equity markets) was -33.54%. The decision to add a global equity component to the Diversified Equity Fund improved returns for the last portion of the year. Each individual component of both funds had negative returns in 2008, reflecting the broad based market decline experienced last year. The best performing component of the fund was U.S. small equity with a return of approximately-21%, while the U.S. large cap hedged component had the worst return at around -39%.

Western Tier 1 Fund Performance

Balanced Income Fund
The **Balanced Income Fund** and the **Balanced Income Fund B** invest 30% in the Diversified Equity Fund or the Diversified Equity Fund B and 70% in the Diversified Bond Fund. The benchmark for each fund is 30% of the Diversified Equity Fund benchmark and 70% of the Diversified Bond Fund benchmark. Both funds had comparable returns in 2008 (2.87% for the Balanced Income Fund and 3.19% for the Balanced Income Fund B). Both funds underperformed the benchmark return of 2.45% due to the underperformance of the Diversified Bond Fund.

Balanced Growth Fund
The **Balanced Growth Fund and the Balanced Growth Fund B** invest 70% in the Diversified Equity Fund or the Diversified Equity Fund B and 30% in the Diversified Bond Fund. The benchmark for each fund is 70% of the Diversified Equity Fund benchmark and 30% of the Diversified Bond Fund benchmark. Both funds had comparable returns in 2008 (2.30% for the Balanced Growth Fund and 3.09% for the Balanced Growth Fund B). Both funds underperformed the benchmark return of 2.03% due to the underperformance of the Diversified Bond Fund.

Investment Fund Management Summary as at December 31, 2008

Investment Fund		$ Funds Managed	% of Fund	% of Total Assets	Asset Class	Manager Style
MONEY MARKET FUND						
State Street Global Advisors		**$59.2**	100.0%	**5.1%**	Short Term	active
TARGET DATE FUNDS						
State Street Global Advisors		**$55.3**	100.0%	**4.8%**	Domestic Bonds	active-duration constrained
DIVERSIFIED BOND FUND						
State Street Global Advisors-Canadian Fund		$76.9	33.0%	**6.6%**	Domestic bonds	passive
Alliance Bernstein-Global Fund		156.2	67.0%	**13.5%**	Foreign bonds	active
		$233.1	100.0%	**20.1%**		
CANADIAN BOND FUND						
State Street Global Advisors		**$61.0**	100.0%	**5.3%**	Domestic bonds	Passive
LONG TERM BOND FUND						
State Street Global Advisors		**$25.2**	100.0%	**2.2%**	Domestic Bonds	Passive
DIVERSIFIED EQUITY FUND				**0.0%**		
Greystone Managed Investments		$45.4	7.9%	**3.9%**	Domestic equity	active-growth
Connor Clark & Lunn Financial Group		43.5	7.6%	**3.7%**	Domestic equity	active-core
Highstreet Asset Management		46.4	8.1%	**4.0%**	Domestic equity	active-GARP*
Northwater Capital Management	US hedged large cap	94.3	16.4%	**8.1%**	US Equity	passive
	US hedged mid cap	23.8	4.1%	**2.1%**	US Equity midcap	passive
	US Unhedged large cap	86.4	15.0%	**7.4%**	US Equity	passive
Panagora	US Unhedged small cap	21.6	3.8%	**1.9%**	US Equity small cap	active-core
Fidelity Investments	International Equity	88.7	15.4%	**7.6%**	International Equity	active-growth
Alliance-Bernstein	International Equity	81.8	14.2%	**7.0%**	International Equity	active-value
	Canadian Equity	$43.2	7.5%	**3.7%**	Domestic Equity	active-value
		$575.1	100.0%	**49.5%**		
DIVERSIFIED EQUITY FUND B						
Greystone Managed Investments		$0.8	8.2%	**0.1%**	Domestic equity	active-growth
Connor Clark & Lunn Financial Group		0.7	7.2%	**0.1%**	Domestic equity	active-core
Highstreet Asset Management		0.8	8.2%	**0.1%**	Domestic equity	active-GARP*
Northwater Capital Management	US hedged large cap	1.5	15.5%	**0.1%**	US Equity	passive
	US hedged mid cap	0.4	4.1%	**0.0%**	US Equity midcap	passive
	US Unhedged large cap	1.6	16.5%	**0.1%**	US Equity	passive
Panagora	US Unhedged small cap	0.4	4.1%	**0.0%**	US Equity small cap	active-core
Fidelity Investments	International Equity	1.4	14.4%	**0.1%**	International Equity	active-growth
Alliance-Bernstein	International Equity	1.4	14.4%	**0.1%**	International Equity	active-value
	Canadian Equity	$0.7	7.2%	**0.1%**	Domestic Equity	active-value
		$9.7	100.0%	**0.8%**		
CANADIAN EQUITY FUND						
Connor Clark & Lunn Financial Group		21.5	24.9%	**1.9%**	Domestic Equity	active-core
Highstreet Asset Management		22.2	25.7%	**1.9%**	Domestic Equity	active-GARP*
Alliance-Bernstein		21.2	24.5%	**1.8%**	Domestic Equity	active-value
Greystone Managed Investments		21.6	25.0%	**1.9%**	Domestic Equity	active-growth
		$86.5	100.0%	**7.5%**		
US EQUITY - HEDGED FUND						
Northwater Capital Management		**$15.4**	100.0%	**1.3%**	US Equity	passive
US EQUITY - HEDGED FUND B						
Northwater Capital Management		**$0.5**	100.0%	**0.0%**	US Equity	passive
US EQUITY - UNHEDGED FUND						
Northwater Capital Management		**$7.6**	100.0%	**0.7%**	US Equity	passive
US EQUITY - UNHEDGED FUND B						
Northwater Capital Management		**$1.1**	100.0%	**0.1%**	US Equity	passive
NON-NORTH AMERICAN FUND						
Fidelity Investments		$13.2	51.4%	**1.1%**	International Equity	passive
Alliance-Bernstein		$12.5	48.6%	**1.1%**	International Equity	active
		$25.7	100.0%	**2.2%**		
Immunized Bond Fund		**$2.1**	100.0%	**0.2%**		
Liquidating Trust		**$0.4**	100.0%	**0.0%**		
CASH IN PLAN ACCOUNTS		**$2.9**	100.0%	**0.2%**		
TOTAL PENSION INVESTMENTS		**$1,160.8**	**100.00%**	**100.0%**		
						Overall Asset Mix
BALANCE INCOME & GROWTH FUNDS		$88.70			Cash	5%
Assets included in the Investment Management for Diversified Bond and Diversified Equity Funds					Bonds	33%
					Equities	62%

*Growth at a Reasonable Price

Investment & Operational Expenses

Investment & Operational Expenses

The University is the plan sponsor for the pension plan and the Western Retirement Income Fund (Western RIF) program. The Joint Pension Board is the official plan administrator and Human Resources provides day-to-day operational support for all programs. The plans operate with the assistance of many professionals, including investment managers, investment consultants, actuarial consultants, legal advisors, financial statement auditors, trustees, pension administrators, retirement counselors, and educators.

The total management expense cost includes fees for external investment managers, transaction costs, trustee fees, and other professional fees and pension staff expenses. **The total management expense cost is about 39 basis points** (0.39%) of assets per year for pension plan members and slightly more for some participants in the Western Retirement Income Fund program. The Joint Pension Board believes the operations **are at an expense level far below that of comparable retail retirement savings products which tend to charge fees that average about 200 basis points** (2.0%) per year of invested assets. Further, *active* Western employees only fund a portion of these expenses with their investments.

Fees for external investment managers, transaction costs and trustee fees are funded by your investments. Returns for each fund are determined after deducting these fees, which amount to an average of about 29 basis points (0.29% per year) of the value of the fund. These fees, which are shown below, vary depending on the type of investment and the value of assets in each portfolio.

Other professional fees and pension staff expenses are funded by the University for actively contributing University employees.

A fee is charged to accounts of employees of participating employers (e.g. Brescia University College and Huron University College) and to former employees who have chosen to leave their funds invested in the trust. This fee is waived for former employees who have retired from the University.

Former employees who have established an income stream under the Western Retirement Income Fund (Western RIF) program are charged additional fees to recover costs of the plan trustee, Northern Trust, and to cover the operating costs of the Western RIF program.

Western Fund	**Expected average Fee**
Balanced Income	0.26%
Balanced Growth	0.32%
Diversified Bond	0.23%
Diversified Equity	0.35%
Money Market	0.07%
Target Date Fund 2008	0.10%
Target Date Fund 2010	0.10%
Target Date Fund 2012	0.10%
Canadian Bond	0.05%
Canadian Long Term Bond	0.09%
Canadian Equity	0.35%
US Equity - Hedged	0.12%
US Equity - Unhedged	0.12%
Non-North American Equity	0.72%

Compare Your Investment Performance with Other Strategies

The Joint Pension Board recognizes that the investment allocation decision is difficult even when a great deal of information is available to you. The purpose of this section of the annual report is to help you assess the investment options available under the Western retirement plans by comparing the relative returns under each asset class and illustrating the returns and risks associated with each asset class or a combination of asset classes.

Although there is significant choice of investment funds under the plans, your investment decision may be a consideration of three broad asset classes: **CASH, BONDS AND EQUITIES.** In the case of the Balanced Growth and Balanced Income Funds, this mix of asset classes has been set for you.

CASH attributes have been illustrated here using the historical performance of the Western Money Market Fund.

BOND attributes have been illustrated here using the historical performance of the Western Diversified Bond Fund.

EQUITIES attributes have been illustrated here using the historical performance of the Western Diversified Equity Fund.

BALANCED GROWTH attributes have been illustrated using 70% Western Diversified Equity Fund and 30% Western Diversified Bond Fund. *

BALANCED INCOME attributes have been illustrated using 30% Western Diversified Equity Fund and 70% Western Diversified Bond Fund. *

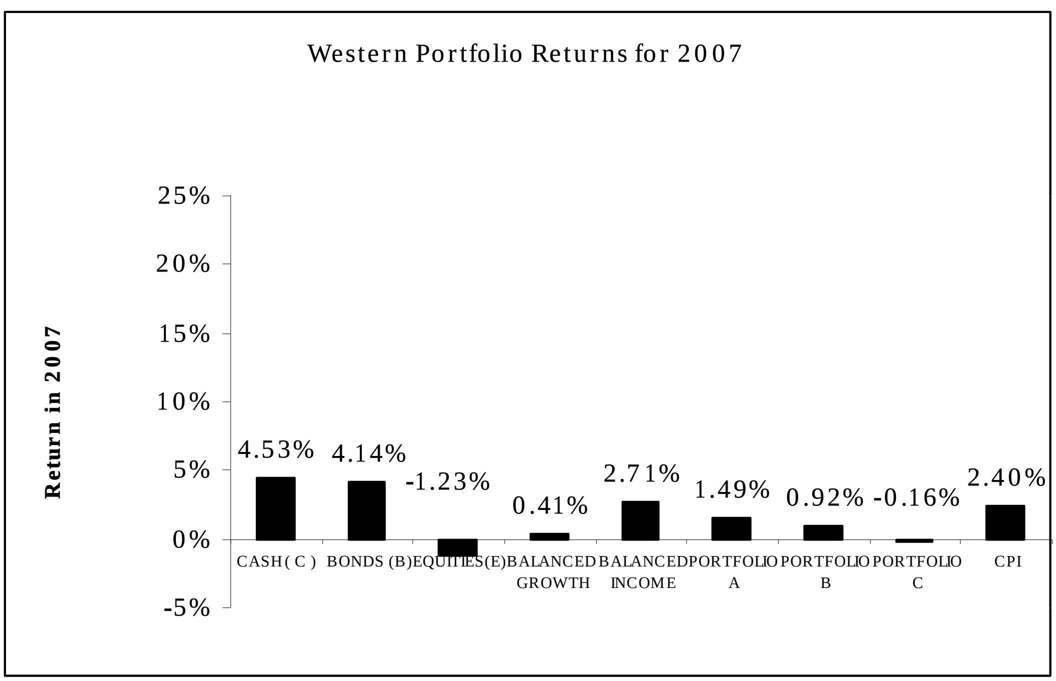
When considering the returns and risks of an investment, good investment advisors commonly apply Modern Portfolio Theory. The Theory holds that the risks and returns of the entire portfolio should be considered rather than evaluating risks and returns on an investment-by-investment basis. For example, an equity investment has statistically a greater "risk" than a bond investment. However, there could be a combination (or investment mix) that includes equities which has generated a greater average rate of return than a pure bond investment but has the same or lower level of risk of a pure bond investment.

Using the Western retirement plans fund data for 2008, the chart below illustrates how each of the cash, bonds, equities and three Portfolios with other investment mixes performed in terms of rate of return. The rate of change in the consumer price index (CPI) is also provided here. The real returns can be approximated by subtracting CPI (the change in purchasing power for the year) from the nominal returns.

You can use your individual rate of return indicated on your personal statement to compare your investment performance for the year with other strategies illustrated below.

A complete history of calendar year returns for all funds is provided on page 34 of this report.

Portfolio A:
10% Cash, 40% Bonds,
50% Equities
Portfolio B:
40% Bonds,
60% Equities
Portfolio C:
20% Bonds,
80% Equities



** 2008 Portfolio Returns are the actual Balanced Fund returns*

Compare Your Investment Performance with Other Strategies

The 2008 rates of return for individual member accounts under the Western retirement plans were ranked from highest to lowest. The distribution of the returns is provided below:

Returns:

Individual account Returns

Plans' average	**1.03%**
Maximum annual return	**16.61%**
Median annual return	**0.42%**
Minimum annual return	**-11.82%**

Risks:

The top 25% of our members received returns between 2.5% to 16.61%. The middle 50% of our members received returns between -0.2% to 2.5%. The bottom 25% of our members received returns between -11.8% to -0.2%

The median return, which indicates that 1/2 of the accounts had returns below that amount, was 0.42%.

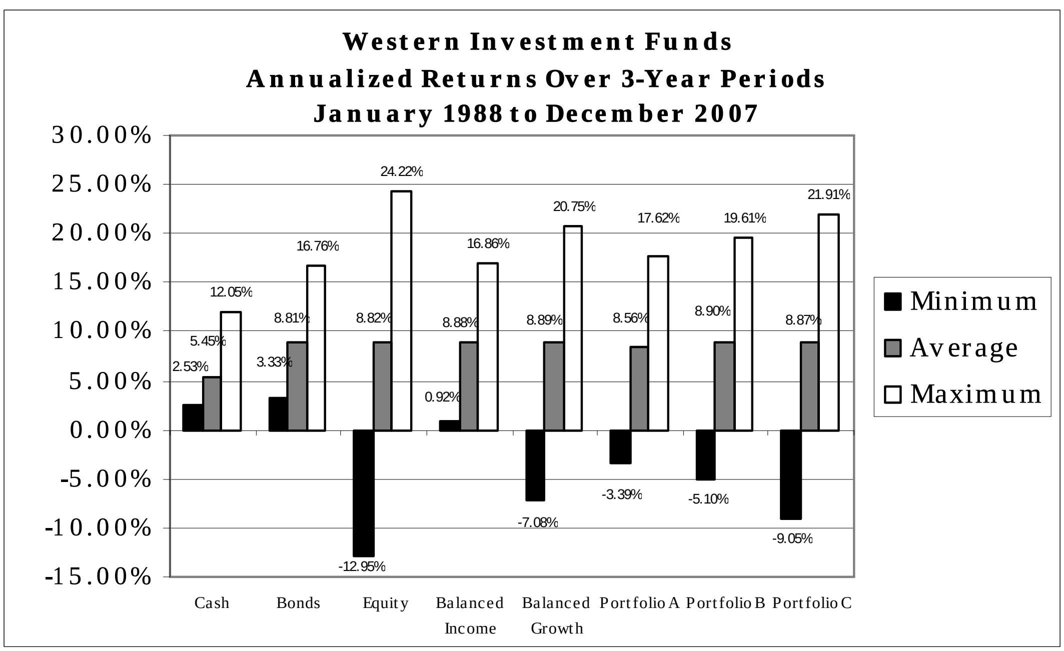
Investment strategies will provide different performance based on the different levels of risks associated with the strategies. Risk of an investment is commonly measured by the amount the actual investment return of a portfolio is expected to vary from the average return over time. By considering this measure the investor can decide if it is worth taking on that risk or variation in exchange for the expected return.

The graph below illustrates the variation in 3-year time periods for each of cash, bonds, equities and the portfolios discussed earlier. **The white and black bars indicate the relative risk that the actual returns can vary from average returns. The longer these bars in either direction, the more risk.** The average 3-year return is indicated by the grey bars. Ideally, an investor wants to achieve the maximum average return for the variation they can live with.

While variability in return is a common measure of risk associated with an investment, there are other types of risks associated with investment portfolios. For example, there is a risk that the total accumulated funds in the portfolio at the end of any given time period is insufficient to provide for the intended use of the funds. There is also the risk that an investment is insufficient to maintain the purchasing power of the original investment (i.e. the return has not matched the increase in the cost of living (CPI) over the period of investment).

Human Resources staff can help you understand the nature of the options available to you. You may meet individually with a pension and retirement consultant in Human Resources, attend workshops or access on-line tools offered from the Human Resource Services website. You are encouraged to take advantage of these resources and/or consult your own financial advisor in setting your investment mix.

Portfolio A:
10% Cash, 40% Bonds,
50% Equities
Portfolio B:
40% Bonds, 60% Equities
Portfolio C:
20% Bonds, 80% Equities



Member Education & Communication

Group Educational Sessions

Human Resource Services administers several education and communication programs under the direction and supervision of the pension boards.

Group educational sessions for members of the Western retirement plans are held at various locations on campus throughout the year. The times and locations are announced during the year in our newsletter, in ***Western News***, in the Western Events Calendar and on the Human Resources website. The workshops are given by internal professional staff and may also involve external professionals.

The educational session topics will vary throughout the year and include such topics as:

Making Decisions on Your Western Retirement Plan

This session focuses on the features of the Western retirement plans for Academic and Administrative staff and the available options. It provides a basic overview of making contributions, the Western investment tiers, and retirement income options.

Investing Your Western Pension

This session is focused on the investment options available to plan members. Topics include a review of the primary asset classes, details on the Western investment tiers, how to evaluate fund performance and choosing and changing your investment mix.

Financial and Pre-Retirement Planning Workshop

This is a comprehensive full-day workshop facilitated by The Financial Education Institute of Canada. The workshop engages participants in establishing a financial and life plan for retirement. Topics covered include: the three retirements, employer-sponsored pension plans, government benefits, tax & estate planning, and retirement income streaming.

The Western Retirement Income Funds Program

This session includes information about drawing an income from your Western pension plan. Learn about annuities and retirement income funds (RRIFs, LIFs, and LRIFs) and options for drawing an income from locked-in and cashable savings. Tax saving strategies and estate planning considerations are also discussed.

Individual Counseling Sessions

Pension and Retirement Consultants are available to provide individual counseling on your Western pension plan. A consultant can assist you with your retirement planning and help you understand the choices available to you including your investment options, contribution level and payout options. All appointments are confidential. Spouses/family members are welcome to attend. Personal appointments may be arranged with our Pension & Retirement Consultant by calling Human Resources at 519-661-2194 or on campus at 82194

On-line Tools

In 2008 Human Resource Services launched access to two exciting new on-line tools: The Investment Decision Making Tool uses an investment personality questionnaire to help assess your risk tolerance and then provides corresponding samples of diversified portfolios identifying the funds available under the Western retirement plans.

The Financial Educator™ (TFE) is a comprehensive and interactive website available to assist Western employees with broader financial planning information and resources. The modular-based curriculum enables users to go directly to the topics of interest and to work through the information at their own pace. An exhaustive list of calculators can help members with budgeting, savings, life insurance, mortgage assessment and much more. Access to the site requires a Username and Password which can be obtained by contacting the Human Resources Communication Centre at x82194 or hr-communication@uwo.ca.

Online Access

The goal of the group education, individual counseling sessions and on-line tools is to help members better understand their investment, contribution and payment options. The knowledge gained through these resources can be used when members go online to www.uwo.ca/humanresources. Within the Retirement Plans section of the Human Resources web site, a member can login to view their account(s), review performance reports, obtain forms and review terms of the pension plan(s).

Enhanced in 2005, this password-protected pension web site allows members to view account balances, request account investment changes and address changes on-line. Members of the Western Retirement Income Funds can also make payment elections and changes online. Instructions on using this functionality are available at the login page.

Western employees can also use ***my*****HumanResources** to access information on their pension plan contribution levels and beneficiary designations.

Tier One

Balanced Income
Balanced Growth

The most diversified investment options.

Tier 1 – Balanced Income Fund

Fund Facts:

Total Value of Assets as at December 31, 2008 *	XX million
Number of Investors	XX
Date of Inception	September 30, 2001
Management Expense Ratio (Expected Average Fees)	0.00%
*Including B Fund	

Risk Attributes: 1979-2008

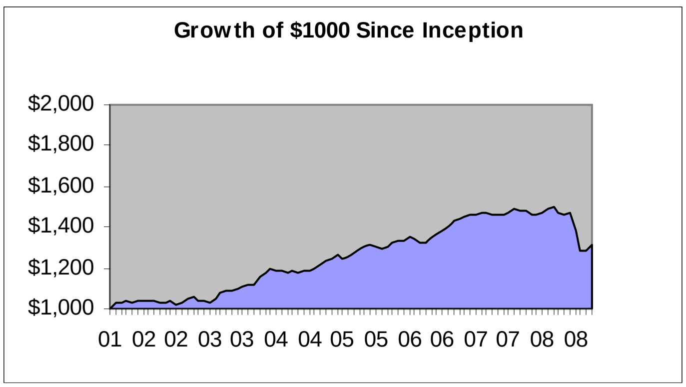
Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Managers

See Diversified Bond and
Diversified Equity Funds

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve high total investment return by using a balanced approach. The Fund invests in the equity and fixed income securities of issuers located anywhere in the world. The Fund will invest predominantly in fixed income securities, with a 70% target allocation.

The Fund aims to outperform the following benchmark:

46.55% DEX Universe Bond Index
23.45% Barclays Capital Global Aggregate Hedged Index
9% S&P/TSX Composite Index
9% MSCI EAFE Index
5.25% MSCI World Index
5.25% S&P 500 Hedged Index
0.75% S&P Mid Cap 400 Index
0.75% Russell 2000 Index

Investment Strategy

The Fund's target mix is 70% Diversified Bond Fund and 30% Diversified Equity Fund. The Fund uses a strategic allocation approached, i.e. the Fund is rebalanced every month to its target asset mix, no component is overweight or underweight based on short-term market views.

Permissible Investments

The Fund's target mix is 70% Diversified Bond Fund and 30% Diversified Equity Fund. Permissible investments for the Balanced Income Fund are the same as for the Diversified Bond and the Diversified Equity Fund.

Risks of Investing in the Fund

Because this Fund is built by combining the Diversified Bond Fund and the Diversified Equity Fund, it is exposed to the same risks, but to a smaller extent.

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market; fluctuations **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **credit spread risk**: when fixed income investors collectively determine that a higher return is required to compensate for the risk of owning a specific type of fixed income security, credit spreads widen, which cause the value of the security to decrease; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with foreign currencies; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 and S&P400 MidCap Indexes; **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions; **interest rate risk**: when interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa; **prepayment risk**: if a fixed income security is prepaid before maturity faster than expected, can offer less income and/or potential for capital gains; **reinvestment risk**: if interest rates decline, the Fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate; and **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a medium to long-term horizon (5 to 10 years) and you want the simplicity of a single and well-diversified portfolio exposed mostly to equities. To invest in this fund, you should be to accept a low to moderate level of risk. **This Fund does not accept new contributions until further notice.**

Top Ten Holdings

Asset Mix (%)

Tier 1 – Balanced Income Fund B

Fund Facts:

Total Value of Assets as at December 31, 2008 *	XX million
Number of Investors	XX
Date of Inception	September 30, 2001
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 1979-2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager

See Diversified Bond and Diversified Equity Funds

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective

The Fund's investment objective is to achieve high total investment return by using a balanced approach. The Fund invests in the equity and fixed income securities of issuers located anywhere in the world. The Fund will invest predominantly in fixed income securities, with a 70% target allocation.

The Fund aims to outperform the following benchmark:

46.55% DEX Universe Bond Index
23.45% Barclays Capital Global Aggregate Hedged Index

Investment Strategy

The Fund's target mix is 70% Diversified Bond Fund and 30% Diversified Equity Fund "B". The Fund uses a strategic allocation approached, i.e. the Fund is rebalanced every month to its target asset mix, no component is overweight or underweight based on short-term market views.

Permissible Investments

The Fund's target mix is 70% Diversified Bond Fund and 30% Diversified Equity Fund "B". Permissible investments for the Balanced Income Fund are the same as for the Diversified Bond and the Diversified Equity Fund "B".

Risks of Investing in the Fund

Because this Fund is built by combining the Diversified Bond Fund and the Diversified Equity Fund "B", it is exposed to the same risks, but to a smaller extent.

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market; fluctuations **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **credit spread risk**: when fixed income investors collectively determine that a higher return is required to compensate for the risk of owning a specific type of fixed income security, credit spreads widen, which cause the value of the security to decrease; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with foreign currencies; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 and S&P400 MidCap Indexes; **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions; **interest rate risk**: when interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa; **prepayment risk**: if a fixed income security is prepaid before maturity faster than expected, can offer less income and/or potential for capital gains; **reinvestment risk**: if interest rates decline, the Fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate; and **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a medium to long-term horizon (5 to 10 years) and you want the simplicity of a single and well-diversified portfolio exposed mostly to equities. To invest in this fund, you should be to accept a low to moderate level of risk.

Top Ten Holdings

Asset Mix (%)

Tier 1 – Balanced Growth Fund

Fund Facts:

Total Value of Assets as at December 31, 2008 *	XX million
Number of Investors	XX
Date of Inception	September 30, 2001
Management Expense Ratio (Expected Average Fees)	0.00%

* Including B Fund

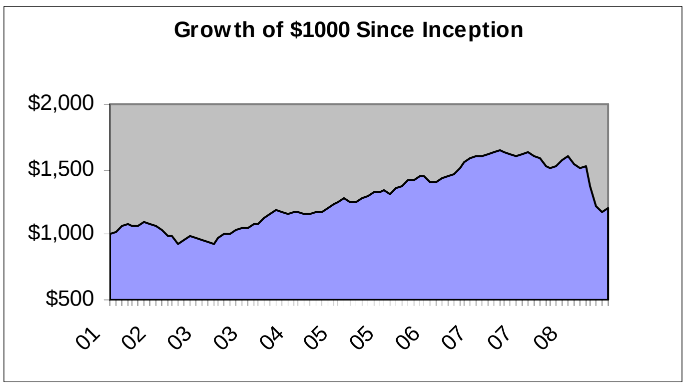
Risk Attributes: 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager
See Diversified Bond and Diversified Equity Funds

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective
The Fund's investment objective is to achieve high total investment return by using a balanced approach. The Fund invests in the equity and fixed income securities of issuers located anywhere in the world. The Fund will invest predominantly in equities, with a 70% target allocation.

The Fund aims to outperform the following benchmark:

19.95% DEX Universe Bond Index
10.05% Barclays Capital Global Aggregate Hedged Index
21% S&P/TSX Composite Index
21% MSCI EAFE Index
12.25% MSCI World Index
12.25% S&P 500 Hedged Index
1.75% S&P Mid Cap 400 Index
1.75% Russell 2000 Index

Investment Strategy
The Fund's target mix is 30% Diversified Bond Fund and 70% Diversified Equity Fund. The Fund uses a strategic allocation approached, i.e. the Fund is rebalanced every month to its target asset mix, no component is overweight or underweight based on short-term market views.

Permissible Investments
The Fund target mix is 30% Diversified Bond Fund and 70% Diversified Equity Fund. Permissible investments for the Balanced Income Fund are the same as for the Diversified Bond and the Diversified Equity Fund.

Risks of Investing in the Fund
Because this Fund is built by combining the Diversified Bond Fund and the Diversified Equity Fund, it is exposed to the same risks, but to a smaller extent.

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market; fluctuations **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **credit spread risk**: when fixed income investors collectively determine that a higher return is required to compensate for the risk of owning a specific type of fixed income security, credit spreads widen, which cause the value of the security to decrease; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with foreign currencies; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 and S&P400 MidCap Indexes; **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions; **interest rate risk**: when interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa; **prepayment risk**: if a fixed income security is prepaid before maturity faster than expected, can offer less income and/or potential for capital gains; **reinvestment risk**: if interest rates decline, the Fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate; and **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives.

Who Should Invest in this Fund?
You might want of invest in this fund if you have a medium to long-term horizon (5 to 10 years) and you want the simplicity of a single and well-diversified portfolio exposed mostly to equities. To invest in this fund, you should be to accept a low to moderate level of risk. **This Fund does not accept new contributions until further notice.**

Top Ten Holdings

Asset Mix (%)

Tier 1 – Balanced Growth Fund B

Fund Facts:

Total Value of Assets as at December 31, 2008 *	XX million
Number of Investors	XX
Date of Inception	September 30, 2001
Management Expense Ratio (Expected Average Fees)	0.00%

* Including B Fund

Risk Attributes: 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager
See Diversified Bond and Diversified Equity Funds

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective
The Fund's investment objective is to achieve high total investment return by using a balanced approach. The Fund invests in the equity and fixed income securities of issuers located anywhere in the world. The Fund will invest predominantly in equities, with a 70% target allocation.

Investment Strategy
The Fund's target mix is 30% Diversified Bond Fund and 70% Diversified Equity Fund "B". The Fund uses a strategic allocation approached, i.e. the Fund is rebalanced every month to its target asset mix, no component is overweight or underweight based on short-term market views.

Permissible Investments
The Fund target mix is 30% Diversified Bond Fund and 70% Diversified Equity Fund "B". Permissible investments for the Balanced Income Fund are the same as for the Diversified Bond and the Diversified Equity Fund "B".

Risks of Investing in the Fund
Because this Fund is built by combining the Diversified Bond Fund and the Diversified Equity Fund, it is exposed to the same risks, but to a smaller extent.

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market; fluctuations **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **credit spread risk**: when fixed income investors collectively determine that a higher return is required to compensate for the risk of owning a specific type of fixed income security, credit spreads widen, which cause the value of the security to decrease; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with foreign currencies; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 and S&P400 MidCap Indexes; **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions; **interest rate risk**: when interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa; **prepayment risk**: if a fixed income security is prepaid before maturity faster than expected, can offer less income and/ or potential for capital gains; **reinvestment risk**: if interest rates decline, the Fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate; and **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives.

Who Should Invest in this Fund?
You might want of invest in this fund if you have a medium to long-term horizon (5 to 10 years) and you want the simplicity of a single and well-diversified portfolio exposed mostly to equities. To invest in this fund, you should be to accept a low to moderate level of risk.

TOP TEN HOLDINGS

Asset Mix (%)

Tier Two

Diversified Bond
Diversified Equity

Options with broad exposure to the investment opportunity within each respective asset class

Tier 2 – Diversified Bond Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	February 1, 1978
Management Expense Ratio (Expected Average Fees)	0.00%

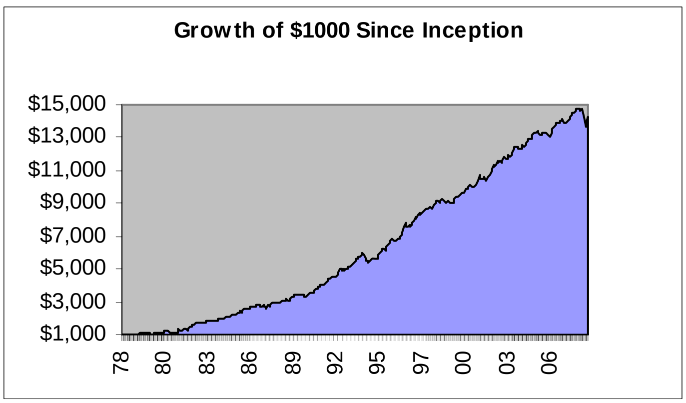
Risk Attributes: 1979-2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Alliance Bernstein	Active-passive	67%
State Street Global Advisors	Active-passive	33%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective
The Fund's investment objective is to provide a steady flow of income and the potential for capital gains by investing in Canadian and non-Canadian fixed income securities.

The Fund aims to outperform the following benchmark:

66.5% DEX Universe Bond Index
33.5% Barclays Capital Global Aggregate Hedged Index

Investment Strategy
The Fund has two components:

1) a component actively managed by AllianceBernstein that represents approximately 67% of the Fund. This segment normally has a 50/50 allocation between Canadian and foreign bonds, but Alliance Bernstein is allowed to invest as much as 70% or a low as 30% in foreign bonds if they judge that they can add value to the portfolio. The currency exposure will normally be hedged back into Canadian dollars, but Alliance Bernstein has the option to leave up to 25% of their segment invested in foreign currencies. The manager aims to outperform the Barclays Capital Global Aggregate Hedged Index by using the following fixed income strategies: security selection, sector allocation, country selection, yield curve positioning and currency selection.

2) A component passively managed by State Street Global Advisors that represents approximately 33% of the Fund. The manager aims to replicate the return of the DEX Universe Bond Index.

The Fund is rebalanced every month to maintain the 67/33 allocation.

Permissible Investments
The Fund invests in Canadian Government and Guaranteed-Affiliates bonds, real return bonds, provincial and municipal bonds, corporates/credit sensitive securities (includes the debt of corporations, supranational agencies and municipal entities whether domiciled inside or outside Canada, in developed or developing countries; and includes U.S. dollar denominated debt of non-U.S. sovereign governments in developed and developing countries of investment grade rating), high-yield bonds, U.S. mortgages, preferred stock, commercial mortgage-backed securities, asset-backed securities.

Risks of Investing in the Fund
The main risks of investing in this Fund include credit risk, credit spread risk, currency risk, foreign investment risk, interest rate risk, prepayment risk, reinvestment risk and active management risk.

Who Should Invest in this Fund?
You might want of invest in this fund if you have a short to medium term horizon (3 to 5 years), you want the potential for income from your investments and you wish to be exposed to non-Canadian bonds. To invest in this fund, you should be to accept a low to moderate level of risk.

Top Ten Holdings

Sector Allocation

Tier 2 – Diversified Equity Fund

Fund Facts:

Total Value of Assets as at December 31, 2008*	XX million
Number of Investors	XX
Date of Inception	February 1, 1978
Management Expense Ratio (Expected Average Fees)	0.00%

*including B Fund

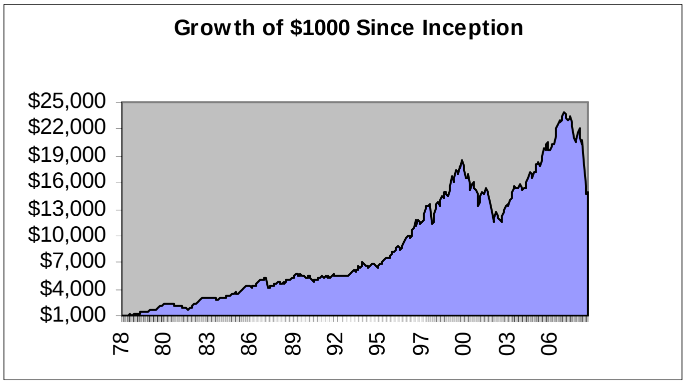
Risk Attributes: 1979-2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve long-term capital growth by investing in the equity securities or equivalent of companies anywhere in the world. The Fund will have a Canadian bias compared to the composition of the world equity markets.

The Fund aims to outperform the following benchmark:

30% S&P/TSX Composite Index
30% MSCI EAFE Index
17.5% MSCI World Index
17.5% S&P 500 Hedged Index
2.5% S&P Mid Cap 400 Index
2.5% Russell 2000 Index

Investment Strategy

The Fund invests in 11 investment portfolios to achieve maximum diversification benefits by investment style, geography, industry and market capitalization.

Four Canadian equity managers actively manage approximately 30% of the Fund; two Non-North American equity managers actively manage approximately 30% of the Fund; two global equity managers actively manage approximately 17.5% of the Fund; 1 U.S. equity manager passively manages approximately 17.5% in a U.S. large cap equity hedged mandate and 2.5% in a U.S. midcap equity hedged mandate; and one U.S. small cap equity manager actively manages approximately 2.5% of the Fund.

The Fund has a Canadian bias by investing approximately 30% of its assets in Canada, despite the fact that Canada only represents 2.5% of the world equity market. Research suggests that it is the percentage that allows a Canadian based investor to achieve the highest risk-adjusted return. The geographic allocation of the remainder of the portfolio is consistent with the composition of the MSCI World All-Country Index.

A mix of active and passive investment strategies are used in the Fund, based on research demonstrating the superiority of an active investment strategy for some specific asset classes (Canadian equity, non-North American equity, Global equity and U.S. small cap equity). The U.S. large cap equity component of the Fund is passively managed.

Permissible Investments

The Fund has six regional components: Canadian equities, non-North American equities, U.S. large cap equities hedged, U.S. mid cap equities hedged, U.S. small cap equities and global equities.

The Fund may invest in the following securities in each regional component:

Canadian Equities: The Canadian component invests mostly in Canadian common stock and equivalent securities including, but not limited to, equity warrants, rights, call options, installment receipts, convertible debentures, limited partnerships, private placements, REITs, income trusts, preferred shares, stock index futures, options on futures, cash and equivalents. The Canadian component may invest up to 5% in non-Canadian securities.

Non-North American Equities: The non-North American component invests mostly in Europe, Far East and Australia. Eligible securities include common and preferred stock (including American Depositary Receipts and European Depositary Receipts) and equivalent securities including, but not limited to, equity warrants, rights, call options, convertible debentures, stock index futures, options on futures, currency and spot forward contracts, cash and equivalents.

Tier 2 – Diversified Equity Fund

U.S. Large Cap Equities Hedged: The U.S. Large Cap Equities Hedged component invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The U.S. Large Cap Equities Hedged component also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions and non-bank ABCP (existing holdings only, no additional holdings can be purchased; also includes ABCP restructured notes).

U.S. Mid Cap Equities Hedged: The U.S. Mid Cap Equities Hedged component invests in U.S. equity index futures contracts, based on the S&P MidCap 400 Composite Index. The U.S. Mid Cap Equities Hedged component also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, CanadianProvincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions and non-bank ABCP (existing holdings only, no additional holdings can be purchased; also includes ABCP restructured notes).

U.S. Small Cap Equities: The U.S. Small Cap Equity component may invest in common and other equity securities, exchange traded funds, U.S. Treasury Bills, short-term investment funds and equity index futures.

Global Equities: The Global Equity component may invest in U.S. or non-U.S. publicly-traded or privately-issued or negotiated common stocks, preferred stocks, American Depositary Receipts, stock warrants and rights, convertible securities, fixed income securities, options (purchased or written), forward contracts, swaps and other derivative instruments.

Risks of Investing in the Fund

The main risks of investing in this Fund include market risk, active management risk, currency risk, derivative risk, specialization risk, and foreign investment risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to add a well-diversified portfolio of global companies. To invest in this fund, you should be to accept a moderate level of risk.

Top Ten Holdings

Asset Mix (%)

Tier 2 – Diversified Equity Fund B

Fund Facts:

Total Value of Assets as at December 31, 2008* XX million
Benchmark Weighting of regional stock market indices (see pie chart)
Number of Investors XX
Date of Inception February 1, 1978
Management Expense Ratio (Expected Average Fees) 0.00%
*including B Fund

Risk Attributes: 1979-2008

Standard deviation of annual returns: 0.00%
Historical frequency of a negative calendar year return: 0/20

Annualized Returns to December 31, 2008

Manager	Style	Weight

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective

The Fund's investment objective is to achieve long-term capital growth by investing in the equity securities or equivalent of companies anywhere in the world. The Fund will have a Canadian bias compared to the composition of the world equity markets.

The Fund aims to outperform the following benchmark:

30% S&P/TSX Composite Index
30% MSCI EAFE Index
17.5% MSCI World Index
17.5% S&P 500 Hedged Index
2.5% S&P Mid Cap 400 Index
2.5% Russell 2000 Index

Investment Strategy

The Fund invests in 11 investment portfolios to achieve maximum diversification benefits by investment style, by geography, industry and market capitalization.

Four Canadian equity managers actively manage approximately 30% of the Fund; two Non-North American equity managers actively manage approximately 30% of the Fund; two global equity managers actively manage approximately 17.5% of the Fund; 1 U.S. equity manager passively manages approximately 17.5% in a U.S. large cap equity hedged mandate and 2.5% in a U.S. midcap equity hedged mandate; and one U.S. small cap equity manager actively manages approximately 2.5% of the Fund.

The Fund has a Canadian bias by investing approximately 30% of its assets in Canada, despite the fact that Canada only represents 2.5% of the world equity market. Research suggests that it is the percentage that allows a Canadian based investor to achieve the highest risk-adjusted return. The geographic allocation of the remainder of the portfolio is consistent with the composition of the MSCI World All-Country Index.

A mix of active and passive investment strategies are used in the Fund, based on research demonstrating the superiority of an active investment strategy for some specific asset classes (Canadian equity, non-North American equity, Global equity and U.S. small cap equity). The U.S. large cap equity component of the Fund is passively managed.

Permissible Investments

The Fund has five regional components: Canadian equities, non-North American equities, U.S. large cap equities hedged, U.S. mid cap equities hedged and U.S. small cap equities.

The Fund may invest in the following securities in each regional component:

Canadian Equities: The Canadian component invests mostly in Canadian common stock and equivalent securities including, but not limited to, equity warrants, rights, call options, installment receipts, convertible debentures, limited partnerships, private placements, REITs, income trusts, preferred shares, stock index futures, options on futures, cash and equivalents. The Canadian component may invest up to 5% in non-Canadian securities.

Non-North American Equities: The non-North American component invests mostly in Europe, Far East and Australia. Eligible securities include common and preferred stock (including American Receipts and European Depositary Receipts) and equivalent securities including, but not limited to, equity warrants, rights, call options, convertible debentures, stock index futures, options on futures, currency and spot forward contracts, cash and equivalents.

U.S. Large Cap Equities Hedged: The U.S. Large Cap Equities Hedged component invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The U.S. Large Cap Equities Hedged component also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, bank-sponsored and asset-backed commercial paper (ABCP) having global-style liquidity provisions.

U.S. Mid Cap Equities Hedged: The U.S. Mid Cap Equities Hedged component invests in U.S. equity index futures con-

Tier 2 – Diversified Equity Fund B

tracts, based on the S&P Mid Cap 400 Composite Index. The U.S. Mid Cap Equities Hedged component also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, and bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions.

U.S. Small Cap Equities: The U.S. Small Cap Equity component may invest in common and other equity securities, exchange traded funds, U.S. Treasury Bills, short-term investment funds and equity index futures.

Risks of Investing in the Fund
The main risks of investing in this Fund include market risk, active management risk, currency risk, derivative risk, specialization risk and foreign investment risk

Who Should Invest in this Fund?
You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to add a well-diversified portfolio of global companies. To invest in this fund, you should be to accept a moderate level of risk. **This Fund does not accept new contributions until further notice.**

Top Ten Holdings

Asset Mix (%)

Tier Three

Money Market
Target Date Funds
Canadian Bond
Long Term Bond
Canadian Equity
US Equity
Non-North American Equity
Socially Responsible Global Equity

Investments, each with a specific strategy, that can be used to customize a member's total portfolio to meet their individual objectives.

Tier 3 – Money Market

Fund Facts

Total Value of Assets as at December 31, 2008	
Benchmark	DEX 91 –Day - T-Bills
Number of Investors	
Date of Inception	February 1, 1988
Management Expense Ratio (Expected Average Fees)	0.07%

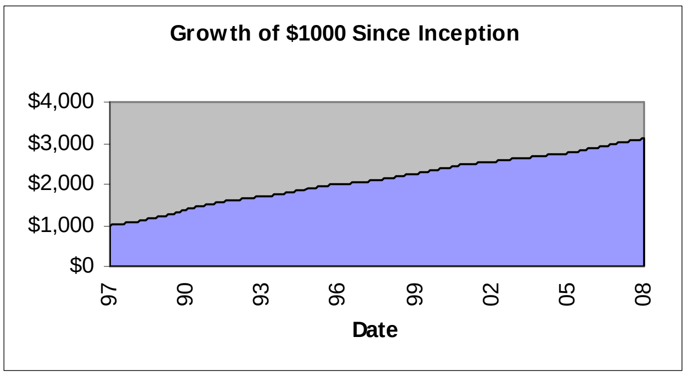
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	3.15%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
State Street Global Advisors	Active	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to provide a high level of current income while seeking to protect capital and maintain liquidity.

The Fund aims to outperform the DEX 91-day T-Bill Index.

Investment Strategy

In order to meet the Fund's objective, the manager performs extensive credit analysis and only invests in securities with high credit quality.

The Fund will invest in permissible money market securities, subject to the following constraints:

Government issues: 20% to 100%
Banks: 0% to 75%
Corporates: 0% to 50%

The maximum average term of the fund will not exceed 180 days and at least 95% of the fund must be invested in securities with term to maturity of one year or less.

The minimum quality standards are: R1-low for money market securities and A for short-term bond and floating rate notes.

The maximum exposure to any single corporate issuer (excluding banks) is limited to 10%.

Holdings will be limited to Canadian issues denominated in Canadian dollars.

Permissible Investments

The Fund invests in high quality Canadian money market instruments such as Treasury bills, short-term government bonds (federal, provincial and municipal); other short-term government securities (promissory notes, repurchase agreements, coupons, residuals, floating-rate notes); banks (bankers' acceptances, term deposits, bearer deposit notes, floating-rate notes, short-term bonds); corporate securities (commercial paper, floating-rate notes, short-term bonds); and cash on hand.

Risks of Investing in the Fund

The main risks of investing in this Fund include credit risk, credit spread risk, interest rate risk, reinvestment risk, and active management risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have medium to long-term horizon (5 to 10 years) and able to accept a moderate level of risk.

Top Ten Holdings

Sector Allocation

Tier 3 – Target Date Funds (TDF)

Fund Facts

Total Value of Assets as at December 31, 2008	$$$
Management Expense Ratio (Expected Average Fees)	0.10%

Fund	Date of Inception	Duration to Maturity	Number of Investors
TDF 2010	June 1, 2004	1.42 Years	XXX
TDF 2012	June 1, 2006	3.42 Years	XXX
TDF 2014	June 1, 2008	5.42 Years	XXX

Manager	Style	Weight
State Street Global Advisors	Passive	100%

Annualized Returns to December 31, 2008:

	TDF 2010	TDF 2012	TDF 2014
Since Inception	5.16%	5.16%	5.33%
2008 Return	4.07%	3.98%	4.04%
Expected Annualized Return January 2008 to maturity	4.00%	4.10%	4.10%

Investment Objective
The Target Date Funds' investment objective is to provide a high level of current income, consistent with returns offered by Guaranteed Investment Certificates, while protecting capital over specific investment horizons.

The Funds aim to achieve a prescribed rate of return to the maturity date of each TDF.

Investment Strategy
The TDFs invest in zero-coupon bonds issued by the Government of Canada (including Crown Corporations) and Canadian Provinces (including provincially guaranteed securities). The zero-coupon bonds are selected in a way to ensure that the average of each TDF does not deviate from its maturity date by more than 5%.

The manager will try to add incremental return for each TDF by purchasing issues that permit the TDFs to achieve a higher return than defined by the primary objective, and by ongoing trading activity that will add incremental value to the TDFs over time.

Permissible Investments The Funds invest in Government of Canada issues (including Crown Corporations) and Canadian Provincial Issues (including provincially guaranteed securities).

Risks of Investing in the Fund
The main risks of investing in this Fund include credit risk, credit spread risk, interest rate risk, and reinvestment risk.

Who Should Invest in this Fund?
You might want of invest in these funds if you have a short term horizon (1 to 5 years), you want the potential for income from your investments, you are looking for an alternative to a Guaranteed Investment Certificate and you don't want any exposure to corporate securities. To invest in this fund, you should be to accept a low level of risk.

Top Ten Holdings

Sector Allocation

Tier 3 – Canadian Bond Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	
Date of Inception	March 1, 2000
Management Expense Ratio (Expected Average Fees)	XX%

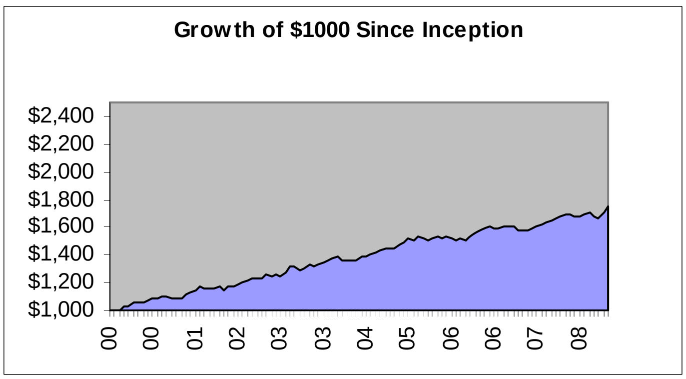
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	XX%
Historical frequency of a negative calendar year return:	0/20

Manager:	Style	Weight
State Street Global Advisors	Passive	100%

Annualized Returns to December 31, 2008:

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to provide a steady flow of income and the potential for capital gains by investing in high quality bonds issued by Canadian Federal, Provincial and Municipal Governments, as well as Corporations. Bond maturity at the time of purchase will be between 1 and 30 years.

The Fund aims to replicate the DEX Universe Bond Index

Investment Strategy

The Fund investment strategy is to replicate the return of the DEX Universe Bond Index by building a portfolio with characteristics substantially similar to the characteristics of the underlying benchmark (DEX Universe Bond Index) with respect to quality, sector, duration and term structure.

The Fund does not invest in foreign issues.

Permissible Investments

The Fund invests in bonds issued by the Government of Canada, (including both non-agency, agency crown corporations), provincial bonds (including provincially guaranteed securities), municipal bonds, corporate bonds and asset-backed securities.

Risks of Investing in the Fund

The main risks of investing in this Fund include credit risk, credit spread risk, interest rate risk, prepayment risk and reinvestment risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a short to medium term horizon (3 to 5 years) and you want the potential for income from your investments. To invest in this fund, you should be to accept a low to moderate level of risk.

TOP TEN HOLDINGS

CANADA HOUSING TRUST NO.1 4.550% 15-DEC-2012 SER 18	2.7%
CANADA HOUSING TRUST NO 1 4.600% 15-SEPT-2011 SER 14	1.9%
GOVERNMENT OF CANADA 5.750% 01-JUN-2033 SER XG49	1.8%
GOVERNMENT OF CANADA 5.750% 01-JUN-2029 SER WL43	1.8%
CANADA HOUSING TRUST NO 1 4.050% 15-MAR-2011 SER 13	1.7%
GOVERNMENT OF CANADA 5.000% 01-JUN-2037 SER XW98	1.6%
CANADA HOUSING TRUST NO 1 3.950% 15-DEC-2011 SER 15	1.4%
GOVERNMENT OF CANADA 4.500% 01-JUN-2015 SER XX71	1.4%
GOVERNMENT OF CANADA 4.000% 01-JUN-2016 SER YB43	1.3%
GOVERNMENT OF CANADA 4.250% 01-JUN-2018 SER YL25	1.3%

SECTOR ALLOCATION (%)

CANADA ASSET BACKED SECURITIES	1.1%
CANADA CORPORATES	30.1%
CANADA GOVERNMENTS	41.8%
CANADA MUNICIPALS	1.2%
CANADA PRIVATE PLACEMENT	1.3%
CANADA PROVINCIALS	24.4%

COUNTRY ALLOCATION(%)

Canada	99.4%
Supranational	0.6%

Tier 3 – Long Term Bond Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	June 1, 1998
Management Expense Ratio (Expected Average Fees)	0.00%

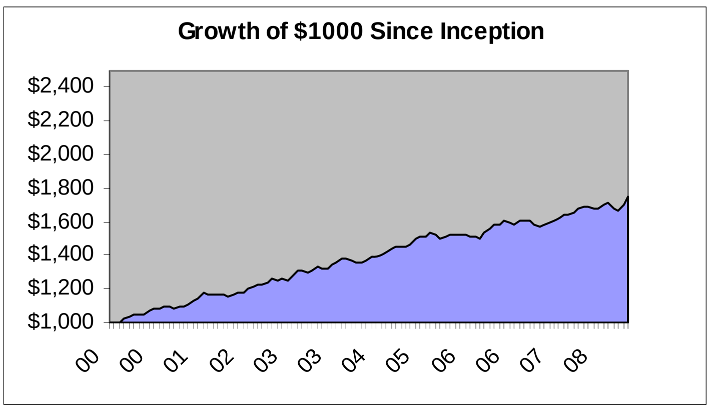
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
State Street Global Advisors	Passive	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to provide a steady flow of income and the potential for capital gains by investing in high quality long-term bonds issued by Canadian Federal, Provincial and Municipal Governments, as well as Corporations Long-term bonds have a maturity greater than 10 years.

The Fund aims to replicate the DEX Long-Term Bond Index

Investment Strategy

The Fund investment strategy is to replicate the return of the DEX Long-Term Bond Index by building a portfolio with characteristics substantially similar to the characteristics of the underlying benchmark (DEX Long-Term Bond Index) with respect to quality, sector, duration and term structure.

The Fund does not invest in foreign issues.

Permissible Investments

The Fund invests in bonds issued by the Government of Canada, (including both non-agency, agency crown corporations), provincial bonds (including provincially guaranteed securities), municipal bonds, corporate bonds and asset- backed securities.

Risks of Investing in the Fund

The main risks of investing in this Fund include credit risk, credit spread risk, interest rate risk, prepayment risk, and reinvestment risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a short to medium term horizon (3 to 5 years), you want the potential for income from your investments and you wish to protect yourself against a decline in interest rates as you are nearing retirement. To invest in this fund, you should be to accept a low to moderate

TOP TEN HOLDINGS

GOV"T OF CANADA 5.750% 01-JUN-2033 SER XG49	6.9%
GOV'T OF CANADA 5.750% 01-JUN-2029 SER WL43	6.7%
GOV"T OF CANADA 5.000% 01-JUN-2037 SER XW98	5.8%
GOV'T OF CANADA 8.000% 01-JUN-2023 SER A55	4.3%
PROV OF ONTARIO 4.700% 02-JUN-2037	4.0%
GOV'T OF CANADA 8.000% 01-JUN-2027 SER VW17	3.7%
PROV OF ONTARIO 5.600% 02-JUN-2035	2.7%
GOV'T OF CANADA 9.000% 01-JUN-2025 SER A76	2.5%
PROV OF ONTARIO 5.850% 08-MAR-2033	2.3%
PROV OF ONTARIO 6.500% 08-MAR-2029	2.3%

SECTOR ALLOCATION (%)

CASH	0.2%
CORPORATES	18.8%
GOVERNMENTS	32.3%
MUNICIPALS	1.2%
PRIVATE PLACEMENT	3.6%
PROVINCIALS	44.0%

COUNTRY ALLOCATION(%)

Canada	99.8%
Supranational	0.2%

Tier 3 – Canadian Equity Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XXX
Date of Inception	March 1, 200
Management Expense Ratio (Expected Average Fees)	XXX%

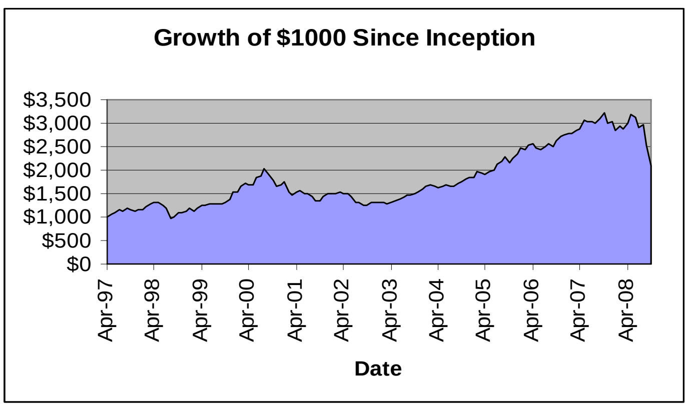
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	0.00%

Manager	Style	Weight
AllianceBernstein	Value	25%
Connor, Clark & Lunn	Core	25%
Greystone Managed Investments	Growth	25%
Highstreet Asset Management	GARP	25%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve long-term capital growth by investing in the equity securities of Canadian companies.

The Fund aims to outperform the S&P/TSX Composite Index.

Investment Strategy

The Fund invests in four Canadian equity portfolios managed by four different investment managers to achieve diversification by investment style. Each of the four investment managers has a unique investment style, (growth, value, GARP and core). Each manager manages approximately 25% of the Fund. Research suggests that there is significant opportunity to add value (experience returns above a market benchmark) with active management of Canadian equities, focusing on the largest Canadian companies.

Permissible Investments

The Fund invests mostly in Canadian common stock and equivalent securities including, but not limited to, equity warrants, rights, call options, installment receipts, convertible debentures, limited partnerships, private placements, REITs, income trusts, preferred shares, stock index futures, options on futures, cash and equivalents. The Fund may invest up to 5% in non-Canadian securities.

Risks of Investing in the Fund

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market fluctuations; **commodity risk**: the price of commodities (such as oil and gold) will influence the value of the Fund; **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives; and **specialization risk**: the Fund only invests in Canada, which is a small subset of the world equity markets.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to add a diversified Canadian equity fund to your portfolio. To invest in this fund, you should be to accept a moderate to high level of risk.

TOP TEN HOLDINGS

ENCANA CORPORATION	5.4%
TORONTO-DOMINION BANK	5.2%
POTASH CORP OF SASKATCHEWAN	4.3%
MANULIFE FINANCIAL CORP	4.1%
ROYAL BANK OF CANADA	4.0%
SUNCOR ENERGY INC	3.8%
BANK OF NOVA SCOTIA	3.4%
CANADIAN NATURAL RESOURCES LTD	3.4%
BARRICK GOLD CORP	3.2%
PETRO-CANADA	2.7%

SECTOR ALLOCATION (%)

CONSUMER DISCRETIONARY	4.2%
CONSUMER STAPLES	2.4%
ENERGY	30.2%
FINANCIALS	26.8%
HEALTH CARE	0.1%
INDUSTRIALS	5.6%
INFORMATION TECHNOLOGY	4.5%
MATERIALS	18.1%
TELECOMMUNICATION SERVICES	4.8%
UTILITIES	1.5%

COUNTRY ALLOCATION(%)

Canada	98.3%
EURO CURRENCY	0.0%
France	0.3%
Germany	0.2%
Korea, South	0.3%
Switzerland	0.4%
United States	0.5%

Tier 3 – US Equity—Hedged Fund ($Canadian)

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	April 1, 1997
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 1997– 2008

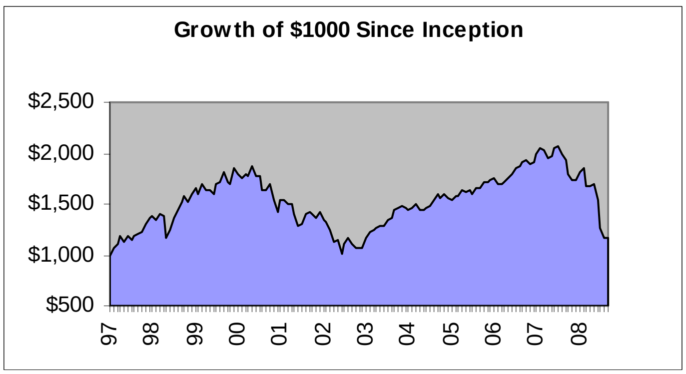
Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Northwater Capital Management	Passive	100%

(in Canadian Dollars)

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve long-term capital growth by replicating the return of the S&P 500 Composite Index. The return is replicated synthetically, by combining equity index futures contracts and U.S. money market securities. The exposure to the U.S. dollar is hedged, which means that the Fund will not lose money when the Canadian dollar rises compared with the U.S. dollar.

Investment Strategy

The Fund uses a passive investment strategy. It aims to replicate the return of the S&P 500 Composite Index by combining equity index futures contracts on the S&P 500 Index and Canadian denominated money market securities. The minimum credit rating of money market securities is R-1 Mid. The investment manager must roll over futures contracts and select money market securities to achieve an adequate yield and preserve capital. The manager does hedge the currency exposure.

Extensive research of the U.S. equity markets indicates that these markets are very efficient at incorporating new information into stock prices. Active portfolio managers have had great difficulty consistently outperforming the market index on a risk adjusted basis.

Permissible Investments

The Fund invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The Fund also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions and non-bank ABCP (existing holdings only, no additional holdings can be purchased; also includes ABCP restructured notes).

Risks of Investing in the Fund

The main risks of investing in this Fund include market risk, credit risk, derivative risk and foreign investment risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to gain exposure to the largest 500 companies in the U.S., but don't want to be exposed to fluctuations in the U.S. dollar relative to the Canadian dollar. To invest in this fund, you should be to accept a moderate to high level of risk. **This Fund does not accept new contributions until further notice.**

TOP TEN HOLDINGS

SECTOR ALLOCATION (%)

COUNTRY ALLOCATION(%)

Tier 3 – US Equity—Hedged Fund B ($Canadian)

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	XXXX
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 1997– 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Northwater Capital Management	Passive	100%

(in Canadian Dollars)

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective

The Fund's investment objective is to achieve long-term capital growth by replicating the return of the S&P 500 Composite Index. The return is replicated synthetically, by combining equity index futures contracts and U.S. money market securities. The exposure to the U.S. dollar is hedged, which means that the Fund will not lose money when the Canadian dollar rises compared with the U.S. dollar.

Investment Strategy

The Fund uses a passive investment strategy. It aims to replicate the return of the S&P 500 Composite Index by combining equity index futures contracts on the S&P 500 Index and Canadian denominated money market securities. The minimum credit rating of money market securities is R-1 Mid. The investment manager must roll over futures contracts and select money market securities to achieve an adequate yield and preserve capital. The manager does hedge the currency exposure.

Extensive research of the U.S. equity markets indicates that these markets are very efficient at incorporating new information into stock prices. Active portfolio managers have had great difficulty consistently outperforming the market index on a risk adjusted basis.

Permissible Investments

The Fund invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The Fund also invests in Canadian money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances and bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions.

Risks of Investing in the Fund

The main risks of investing in this Fund include market risk, credit risk, derivative risk, and foreign investment risk.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to gain exposure to the largest 500 companies in the U.S., but don't want to be exposed to fluctuations in the U.S. dollar relative to the Canadian dollar. To invest in this fund, you should be to accept a moderate to high level of risk.

TOP TEN HOLDINGS

SECTOR ALLOCATION (%)

COUNTRY ALLOCATION(%)

Tier 3 – US Equity—Unhedged Fund ($US)

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	April 1, 1997
Management Expense Ratio (Expected Average Fees)	0.00%

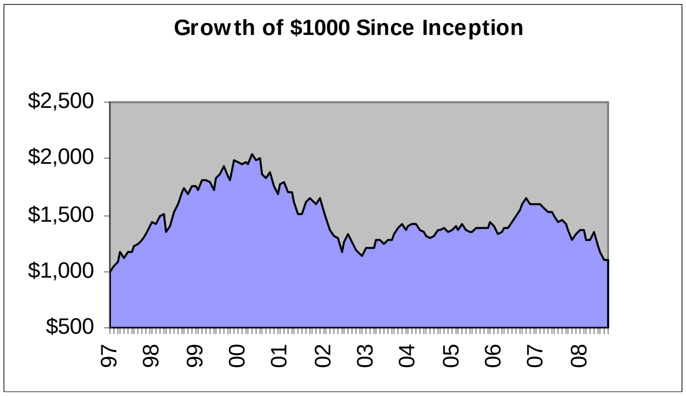
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Northwater Capital Management	Passive (in US Dollars)	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve long-term capital growth by replicating the return of the S&P 500 Composite Index. The return is replicated synthetically, by combining equity index futures contracts and U.S. money market securities. The exposure to the U.S. dollar is unhedged, which means that the Fund will lose money when the Canadian dollar rises compared with the U.S. dollar.

Investment Strategy

The Fund uses a passive investment strategy. It aims to replicate the return of the S&P 500 Composite Index by combining equity index futures contracts on the S&P 500 Index and U.S. denominated money market securities. The minimum credit rating of money market securities is R-1 Mid. The investment manager must roll over futures contracts and select money market securities to achieve an adequate yield and preserve capital. The manager does not hedge the currency exposure.

Extensive research of the U.S. equity markets indicates that these markets are very efficient at incorporating new information into stock prices. Active portfolio managers have had great difficulty consistently outperforming the market index on a risk adjusted basis.

Permissible Investments

The Fund invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The Fund also invests in U.S. money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances, bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions and non-bank ABCP (existing holdings only, no additional holdings can be purchased; also includes ABCP restructured notes).

Risks of Investing in the Fund

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market fluctuations; **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with the U.S. dollar; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 Index; and **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to gain exposure to the largest 500 companies in the U.S. and want to be exposed to fluctuations in the U.S. dollar relative to the Canadian dollar. To invest in this fund, you should be to accept a moderate to high level of risk. **This Fund does not accept new contributions until further notice.**

TOP TEN HOLDINGS

SECTOR ALLOCATION (%)

COUNTRY ALLOCATION(%)

Tier 3 – US Equity—Unhedged Fund B ($US)

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	April 1, 1997
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 1988– 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Northwater Capital Management	Passive (in US Dollars)	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective

The Fund's investment objective is to achieve long-term capital growth by replicating the return of the S&P 500 Composite Index. The return is replicated synthetically, by combining equity index futures contracts and U.S. money market securities. The exposure to the U.S. dollar is unhedged, which means that the Fund will lose money when the Canadian dollar rises compared with the U.S. dollar.

Investment Strategy

The Fund uses a passive investment strategy. It aims to replicate the return of the S&P 500 Composite Index by combining equity index futures contracts on the S&P 500 Index and U.S. denominated money market securities. The minimum credit rating of money market securities is R-1 Mid. The investment manager must roll over futures contracts and select money market securities to achieve an adequate yield and preserve capital. The manager does not hedge the currency exposure.

Extensive research of the U.S. equity markets indicates that these markets are very efficient at incorporating new information into stock prices. Active portfolio managers have had great difficulty consistently outperforming the market index on a risk adjusted basis.

Permissible Investments

The Fund invests in U.S. equity index futures contracts, based on the S&P 500 Composite Index. The Fund also invests in U.S. money market securities to create a synthetic index fund. These money market securities may include: short-term securities issued by the Federal Government and Agencies, Canadian Provincial Governments and Agencies, commercial paper issued by banks and other corporations, floating-rate notes, bankers' acceptances and bank-sponsored asset-backed commercial paper (ABCP) having global-style liquidity provisions.

Risks of Investing in the Fund

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market fluctuations; **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with the U.S. dollar; **derivative risk**: the Fund invests in stock index futures to replicate the return of the S&P 500 Index; and **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to gain exposure to the largest 500 companies in the U.S. and want to be exposed to fluctuations in the U.S. dollar relative to the Canadian dollar. To invest in this fund, you should be to accept a moderate to high level of risk.

TOP TEN HOLDINGS

SECTOR ALLOCATION (%)

COUNTRY ALLOCATION(%)

Tier 3 – Non-North American Equity Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	April 1, 1997
Management Expense Ratio (Expected Average Fees)	0.00%

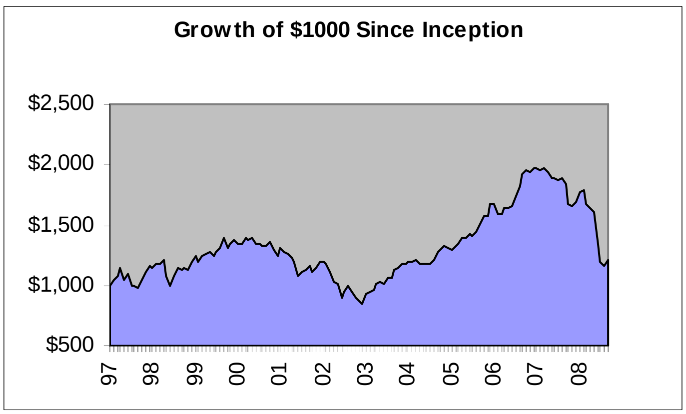
Risk Attributes: 1988– 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Pyramis Global Advisors	Active-Growth	50%
Alliance Bernstein	Active-Value	50%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%



Investment Objective

The Fund's investment objective is to achieve long-term capital growth by investing in the equity securities of companies located in Europe, Far East, Asia and Australia.

The Fund aims to outperform the MSCI EAFE Index.

Investment Strategy

The Fund invests in two equity portfolios managed by two different investment managers to achieve diversification by investment style. Each of the two investment managers invests in equity securities of companies located in Europe, Far East, Asia and Australia to achieve geographic diversification. Alliance-Bernstein selects companies according to a value investment style while Pyramis Global Advisors uses a growth investment style. Each manager manages approximately 50% of the fund. Research suggests that there is significant opportunity to add value (experience returns above a market benchmark) with active management of non-North American equities.

Permissible Investments

The Fund invests mostly in Europe, Far East, Asia and Australia. Eligible securities include common and preferred stock (including American Depositary Receipts and European Depositary Receipts) and equivalent securities including, but not limited to, equity warrants, rights, call options, convertible debentures, stock index futures, options on futures, currency and spot forward contracts, cash and equivalents.

Risks of Investing in the Fund

The main risks of investing in this Fund include **market risk**: the value of the Fund will change based on stock market fluctuations; **active management risk**: if the manager of the fund makes poor security selection decisions, it will cause the fund to underperform funds with similar investment objectives; **currency risk**: the Fund will lose money when the Canadian dollar rises compared with foreign currencies; and **foreign investment risk**: investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer's country, such as regulations, taxes or political decisions.

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to add to your portfolio a diversified equity fund investing in European, Asian and Australian companies. To invest in this fund, you should be to accept a moderate to high level of risk.

TOP TEN HOLDINGS

ROYAL DUTCH SHELL A SHS	2.6%
VODAFONE GROUP	2.1%
E.ON AG NPV	2.0%
BNP PARIBAS EUR2	1.9%
ALLIANZ SE (SOCIETAS EUROPEAE)	1.7%
NOVARTIS AG CHF0.50 (REGD)	1.5%
TOYOTA MOTOR CORP NPV	1.3%
TELEFONICA SA EUR1	1.3%
SOCIETE GENERALE EUR1.25	1.3%
TOTAL SA EUR2.5	1.2%
STATOILHYDRO ASA NOK2.50	1.2%

SECTOR ALLOCATION (%)

CONSUMER DISCRETIONARY	9.4%
CONSUMER STAPLES	5.1%
ENERGY	10.5%
FINANCIALS	24.2%
HEALTH CARE	9.0%
INDUSTRIALS	10.3%
INFORMATION TECHNOLOGY	5.6%
MATERIALS	10.1%
TELECOMMUNICATION SERVICES	7.9%
UTILITIES	5.2%

Tier 3 – Socially Responsible Global Equity Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	March 1, 2008
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 2008

Standard deviation of annual returns:	0.00%
Historical frequency of a negative calendar year return:	0/20

Manager	Style	Weight
Mackenzie Investments (Aberdeen Asset Management as portfolio advisors)	Active-Value	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective

The Fund's investment objective is to achieve long-term capital growth by investing in the equity securities of companies anywhere in the world. The companies selected must be socially responsible in the conduct of their business, as determined by the investment manager (see table next page for the list of socially responsible criteria used).

The Fund aims to outperform the MSCI World Index.

Investment Strategy

The entire fund is being managed by Mackenzie Investments with Aberdeen Asset Management, an active value manager, as portfolio advisors. The Pension Boards have chosen an active management style for the entire portfolio to take advantage of the manager's security selection skills and their ability to make trade-offs between U.S. and non-U.S. stocks.

The investment manager relies on two key concepts when selecting companies: quality and price. They define a quality company as one with a core franchise, strong growth prospects, a competent management team, financial strength and good corporate governance (transparency and commitment to create shareholder value). Once a company has met their quality criteria, they will look at several measures to ensure that the price they pay is not excessive. After this initial stock selection is made, some ethical screens are applied to the portfolio. The screen may be a positive one, whereby companies pass when they demonstrate an awareness and propensity for positive practices within a defined ethical criterion. The screen may be a negative one, whereby a company is excluded from the portfolio if it demonstrates a combination of problematic trends or if it contravenes established limits.

The decision to select a global equity strategy for the socially responsible investment mandate was based on the following criteria: there's a larger universe of companies available, which allows for greater diversification; companies screened out of a global equity portfolio for failing socially responsible screens can be replaced with smaller impact on the portfolio because there's a larger pool of replacements and; our existing fixed income funds should meet the ethical criteria of most members since they invest mostly invest in government securities and they're available at lower fees than socially responsible fixed income funds.

Permissible Investments

The Fund invests in common stock of companies located anywhere in the world. The fund may also use derivatives (such as options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in stock prices or exchange rates.

Risks of Investing in the Fund

The main risks of investing in this Fund include market risk,: active management risk, currency risk, credit risk, derivative risk, foreign investment risk

Who Should Invest in this Fund?

You might want of invest in this fund if you have a long-term horizon (more than 10 years) and you wish to gain exposure to a global equity fund investing in companies meeting environment, social and governance criteria. To invest in this fund, you should be to accept a moderate level of risk.

TOP TEN HOLDINGS

Zurich Financial Services AG 3.9%	3.9%
Taiwan Semiconductor Manufacturing Co. Ltd.	3.8%
Petroleo Brasileiro SA 3.5%	3.5%
Belgacom SA 3.2%	3.2%
Vodafone Group PLC 3.2%	3.2%
Intesa Sanpaolo SPA 3.0%	3.0%
Canon Inc. 2.9%	2.9%
Samsung Electronics Co. Ltd. 2.8%	2.8%
Swire Pacific Ltd. 2.8%	2.8%
Tenaris SA 2.5%	2.5%

SECTOR ALLOCATION (%)

CONSUMER DISCRETIONARY	4.02%
CONSUMER STAPLES	4.81%
ENERGY	9.96%
FINANCIALS	28.08%
HEALTH CARE	7.87%
INDUSTRIALS	13.42%
INFORMATION TECHNOLOGY	16.02%
MATERIALS	4.24%
TELECOMMUNICATION SERVICES	9.42%
UTILITIES	2.17%

Tier 3 – Socially Responsible Global Equity Fund

Criterion	Positive Screening	Negative Screening / Not permitted
Alcoholic Beverages		• Production / sale of alcohol
Animal Testing	• Animal testing on chemicals / pharmas / other sectors; preference given to a responsible approach to animal welfare	• Animal testing on cosmetics or household products
Armaments		• Production / sale of weapons • Providing strategic goods or services to the military
Business Practices	• Effective corporate governance • Ethical business policies / performance • Integration of sustainable development into business strategy • Responsible advertising, marketing and competitive behaviour • Full disclosure of corporate responsibility policies / performance	
Chemicals	• Chemical companies with leadership in response to environmental and social concerns	• Making / selling ozone depleting chemicals • Use of ozone depleting chemicals with no phase-out programme
Community Involvement	• Commitment to community relations • Active community contribution	
Environment	• Effective environmental policies, management systems, disclosure • Integration of environmental factors into the supply chain; product stewardship • Improved environmental performance	• Persistent breaches of environmental regulations
Forestry	• Commitment to sustainable forest management / external certification required for the processing, sale and/or importing of forest products	
Fur		• Production / sale of animal fur products
Gambling		• Activities related to gambling
Genetic Engineering (GMOs)	• Leadership response to the ethical and environmental risks involved in and required for the contained use of GMOs	
Greenhouse Gas Emissions	• Leadership response to environmental / social concerns required for investment in major contributors to climate change	
Human Rights	• Promotion of human rights in all business operations	• Involvement in human rights abuses / helping groups which abuse human rights
Mining & Quarrying	• Leadership response to environmental and social concerns required for investment in companies operating mines or quarries	• Investment in any company that conducts uranium mining
Nuclear Power	• Non-strategic status or safety related requirement for companies which mine or process uranium, own / operate power plants, treat / process nuclear waste, or provide services to nuclear industry	

Tier 3 – Liquidating Trust Fund

Fund Facts:

Total Value of Assets as at December 31, 2008	XX million
Number of Investors	XX
Date of Inception	September 1, 2007
Management Expense Ratio (Expected Average Fees)	0.00%

Risk Attributes: 1988– 2008
Standard deviation of annual returns:

Manager	Style	Weight
Northwater Capital Management	Active	100%

Annualized Returns to December 31, 2008

	1-Yr	3-Yr	5-Yr	10-Yr
UWO Fund	%	%	%	%
Market Benchmark	%	%	%	%
Median Mutual Fund	%	%	%	%

Investment Objective
The Fund's investment objective is to hold the non-bank asset-backed commercial paper ABCP that was withheld when members made redemptions from an investment option with redemption restrictions and maximize the value that can be recovered from those securities.

Investment Strategy
The manager will maximize the value recovery by either holding the securities to maturity or selectively selling them prior to maturity, if more value can be recovered that way.

Permissible Investments
The Fund invests in non-bank ABCP and the restructured asset-backed notes.

Risks of Investing in the Fund
The main risks of investing in this Fund include **credit risk**: if the issuer of a fixed income security in the portfolio is not able to make its promised interest payments or repay the capital at maturity, it will negatively impact the value of the Fund; **credit spread risk**: when fixed income investors collectively determine that a higher return is required to compensate for the risk of owning a specific type of fixed income security, credit spreads widen, which cause the value of the security to decrease; **interest rate risk**: when interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa; **prepayment risk**: if a fixed income security is prepaid before maturity faster than expected, can offer less income and/or potential for capital gains; **reinvestment risk**: if interest rates decline, the Fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate; and **specialization risk**: the Fund only invests in one type of fixed income securities for which there's no developed market yet.

Who Should Invest in this Fund?
This Fund does not accept any contributions.

TOP TEN HOLDINGS

SECTOR ALLOCATION (%)

COUNTRY ALLOCATION(%)

Historical Rates of Return by Fund

SUMMARY OF CALENDAR YEAR RATES OF RETURN

Year	Balanced Income	Balanced Growth	Diversified Bond	Diversified Equity	Canadian Bond	Money Market	Long Term Bond	Target Date Funds 2003	2004	2006	2008	2010	2012	Canadian Equity	US Equity Hedged	US Equity Unhedged	NNA Equity
1978			4.20%	16.70%													
1979			4.00%	35.20%													
1980			11.60%	43.40%													
1981			5.58%	-3.64%													
1982			32.59%	9.28%													
1983			9.40%	31.36%													
1984			10.68%	-2.01%													
1985			17.16%	23.69%													
1986			14.21%	15.89%													
1987			2.21%	-0.35%													
1988			10.07%	8.71%		8.60%											
1989			13.34%	17.69%		11.91%											
1990			7.44%	-10.19%		13.23%											
1991			21.03%	8.58%		10.73%											
1992			9.57%	0.13%		6.22%											
1993			18.38%	22.52%		5.36%											
1994			-4.14%	-0.49%		4.90%											
1995			20.55%	18.57%		6.90%											
1996			11.93%	22.29%		4.57%											
1997			9.84%	19.53%		2.91%		11.04%									
1998			9.20%	16.52%		4.77%		9.55%	9.96%					-1.47%	27.08%	36.66%	15.05%
1999			-0.76%	23.67%		4.55%	-5.53%	0.50%	-0.93%					34.24%	19.16%	13.33%	22.44%
2000			9.53%	-0.73%	0.66%	5.16%	11.53%	8.56%	9.53%	7.76%				10.48%	-10.25%	-5.86%	-4.21%
2001	3.99%	8.02%	5.82%	-9.77%	7.47%	5.12%	5.93%	7.30%	6.11%	4.28%				-10.81%	-12.98%	-9.31%	-13.29%
2002	1.80%	-9.26%	10.69%	-17.40%	8.50%	2.37%	11.50%	2.43%	4.45%	7.91%	7.24%			-11.87%	-22.30%	-23.10%	-17.66%
2003	9.13%	15.69%	4.11%	20.81%	6.84%	2.86%	9.12%		2.91%	4.65%	5.76%			21.28%	30.30%	4.80%	18.19%
2004	7.23%	9.39%	5.80%	11.06%	6.69%	2.36%	10.13%			3.84%	5.79%	6.34%		15.32%	11.24%	2.69%	13.11%
2005	6.95%	11.17%	3.83%	14.39%	6.48%	2.88%	13.75%			2.42%	2.47%	4.65%		25.66%	4.06%	1.42%	18.92%
2006	9.02%	15.10%	4.52%	19.56%	3.94%	4.03%	4.16%				3.48%	3.48%	4.61%	18.13%	14.42%	15.51%	26.98%
2007	2.71%	0.41%	4.14%	-1.23%	3.64%	4.53%	3.20%				4.07%	3.98%	3.64%	10.63%	1.41%	-11.21%	-4.40%
Arithmetic Average	5.83%	7.22%	9.55%	11.79%	5.53%	5.70%	7.09%	6.56%	5.34%	5.14%	4.95%	4.82%	4.61%	11.16%	6.21%	2.49%	7.51%
Average Real Return	3.62%	5.01%	5.41%	7.66%	3.26%	3.30%	6.35%	1.59%	1.07%	1.63%	2.35%	2.44%	1.96%	8.91%	4.07%	0.45%	5.32%

Glossary

Active Portfolio Management	A style of investment management that seeks to attain returns above a certain market standard
Actuarial Valuation	An examination of a pension plan to determine whether contributions are being accumulated at a rate sufficient to provide benefits promised.
Actuary	A person professionally trained in the technical and mathematical aspects of insurance, pensions and related fields.
Annuity	A series of payments of a fixed amount for the rest of one's life
Arithmetic Average	Items to be averaged are added and their sum is divided by the number of items. The result is an arithmetic, or simple, average (or mean).
Balanced Fund	An investment strategy which includes securities from more than one asset class and several sectors and regions which diversifies the portfolio, reducing the volatility of periodic returns
Benchmark	A standard measurement of investment performance that other investment returns can be compared to
Bond	A security representing the loan of an investor to a corporation, government, or government agency on which interest is paid on a specific amount at a specific time
Deferred Annuity	An annuity contract that provides for the initiation of payments at some designated date in the future
Defined Contribution Plan	A pension plan where the retirement income is dependent on the amount of accumulated contributions under the plan, and where the on-going contributions to the plan are made by formula
Diversified	In the context of retirement savings, refers to a group of securities that have a variety of return and risk characteristics
Derivative Instrument	A financial obligation that derives its precise value from the value of one or more other assets (e.g. stocks) at the same point in time
Equities	Refers to ownership of property, usually in the form of common stocks
Equity Risk Premium	The expected spread between the yield of a bond and the return on equities over time
LIF	The Life Income Fund is an investment and payment arrangement for locked-in pension funds. A LIF provides payments at least annually from an investment fund which remain the property of the payee throughout the payment period. Maximum limits on the annual payments are based on the yield of a long-term government bond
LRIF	A Locked-In Retirement Fund is an investment and payment arrangement for locked-in pension funds. A LRIF provides payments at least annually from an investment fund which remains the property of the payee throughout the payment period. Maximum limits on the annual payments are based on previous year's investment performance
LIRA	A Locked-In Retirement Account is an investment arrangement for locked-in pension funds. The investments are identical to RRSPs except that the funds may only be withdrawn to purchase an annuity, LIF or a LRIF

Glossary

Locked-In	Refers to a provision under pension benefits legislation that requires funds set aside in an employer pension plan be used only for income during the member's retirement years. Locked-in funds cannot be refunded in a lump sum payment on or after retirement
Passive Portfolio Management	A style of investment management that seeks to attain the performance of a certain market standard or benchmark.
Pensionable Earnings	For full-time members, the amount of regular annual compensation payable to a person; for part-time members, the total compensation paid to the person. These are the earnings on which contributions are based
Regular Account	A pension account that holds all accumulated required contributions made by the member and their employer on the member's behalf, in accordance with the terms of the plan and member's direction
RRIF	A Registered Retirement Income Fund is a payment arrangement for funds accumulated in a RRSP or for non-locked-in funds accumulated in a pension plan.
RRSP	A Registered Retirement Savings Plan is an investment account that is permitted under the Canadian Income Tax Act. Contributions to RRSPs are tax deductible and investment income accumulates tax free. Tax is paid on all cash withdrawals from RRSPs
S & P 400	Standard & Poor's value-weighted index of 400 mid-size U.S. companies is a series of numbers, the ratios of which represent the change in value of stocks of those companies
S & P 500	Standard & Poor's value-weighted index of 500 large U.S. companies is a series of numbers, the ratios of which represent the change in value of stocks of those companies
S & P/TSX (formerly TSE 300)	A value weighted index of stocks, the ratio of which represents the change in value of the stock price of large companies traded on the Toronto Stock Exchange
Securities	Notes, stocks, treasury bills, bonds, etc. or any certificate of interest for receipt of or right to purchase any of the foregoing
Special Member	An Administrative Staff member who was employed on or before May 1, 1974 and is entitled to a minimum guaranteed annual pension determined by formula
Spouse	A person to whom the member is married or is not married but the member and that person have been living together in a conjugal relationship continuously for three years or in a relationship of some permanence if they are the natural or adoptive parents of a child
Statement of Investment Policies and Procedures	A document that outlines the employer's investment policies and limitations with respect to pension plan investments which is filed with governing authorities.
Stock	Securities issued by corporations for the purpose of raising capital which represent an ownership interest in the corporation. The investment may provide dividend payments and capital appreciation
Voluntary Account	A pension account that holds accumulated contributions that have been made by a member, above what was required to be contributed to the member's regular account (including transfers in from RRSPs and other registered plans). Some of the funds in a voluntary account may be locked-in if they have been transferred from another Employer. The voluntary accounts also include Additional University contributions for Special Members, which are locked-in

Glossary: Risk Types

Type of Risk	Definition
Active management risk	For funds where the manager is trying to beat a benchmark instead of just replicating, this is the risk that the poor security selection skill will cause the fund to underperform funds with similar investment objectives.
Commodity risk	A fund may invest in companies engaged in the energy or natural resources industries that produce various commodities, such as oil, gold, copper, etc. This is the risk that the stock price of these companies is affected by changes in the price of commodities, which could be substantial over short periods of time.
Concentration risk	When a fund invests a substantial proportion of its assets in a single security (typically more than 10%), it is said to be concentrated. Concentrated funds tend to be more volatile and/or less liquid.
Credit risk	This is the risk that an issuer of a bond or other fixed income security (such as a Government or a corporation) may not be able to make its promised interest payments or repay the capital at maturity.
Credit spread risk	For funds that invest in securities that are not denominated in Canadian dollars, this is the risk that their return will be affected by the fluctuations of the Canadian dollar. The fund will lose money when the Canadian dollar rises compared with foreign currencies.
Currency risk	For funds that invest in securities that are not denominated in Canadian dollars, this is the risk that their return will be affected by the fluctuations of the Canadian dollar. The fund will lose money when the Canadian dollar rises compared with foreign currencies.
Derivative risk	A derivative is an investment that bases its value on how well another kind of investment, like a stock, bond, currency or market index, is doing. Examples of derivatives include options, forwards, futures and swaps. There are risks associated with the use of derivatives, even if derivatives are used to help offset losses or what is called “hedging”. For example, there’s no guarantee that a fund will be able to buy or sell a derivative at the right time to make a profit or limit a loss. There’s no guarantee that the other party in the contract (known as a “counterparty”) will live up to its obligations, failure of which could result in a financial loss for the fund. If the other party a fund is dealing with goes bankrupt, the fund could lose any deposits that were made as part of the contract. If the derivatives are being traded on foreign markets, it may be more difficult and take longer to complete a deal. Foreign derivatives can also be more risky than derivatives traded on North American markets. Securities exchanges could set daily trading limits on options and futures contracts. This could prevent a fund from completing an options or futures deal, making it impossible to hedge properly, make a profit or limit a loss. If a fund is required to give a security interest in order to enter into a swap, there is a risk that the other party may try to enforce the security interest against the fund’s assets. There’s no guarantee that a hedging strategy will always work. A derivative won’t always offset a drop in the value of a security, even if it has usually worked out that way in the past. Hedging doesn’t prevent changes in the prices of the securities in a fund’s portfolio, or prevent losses if the prices of the securities go down. Hedging can also prevent a fund from making a gain if the value of the currency, stock, or bond goes up. A fund might not be able to make a deal to hedge against an expected change in a market if most other people are expecting the same change. Hedging may be costly.
Foreign investment risk	This is the risk that investing in securities issued by a foreign issuer may be impacted by characteristics unique to the issuer’s country. These differences may include lower or lack of regulations, which may result in less reliable accounting, auditing and financial reporting standards. The local government may impose taxes or make other decisions that negatively impact the value of an investment. Wars or civil unrests, low standards of business practices and lack of financial information available may also negatively impact the value of an investment.

Glossary: Risk Types

Type of Risk	Definition
Income trust risk	Income trusts are legal entities that are entitled to receive royalties from an active business. In addition to the same risk that an equity investment would entail, investors in an income trust could be held liable for claims against the trust. Some, but not all, jurisdictions in Canada have enacted legislation to protect investors from some of this liability. In addition, changes have recently been enacted which affect the way certain income trusts and limited partnerships are taxed income. The changes will reduce the tax effectiveness of affected income trusts and partnerships.
Interest rate risk	When interest rates rise, fixed income securities such as treasury bills or bonds tend to fall in value and vice versa. The longer the duration of a fixed income security, the more sensitive it is to a change in interest rates.
Large transaction risk	When a large number of investors make redemptions from or contributions to a fund that are large with respect to the value of the fund, it may negatively impact the return of the fund. When large redemptions are made, the portfolio manager may be forced to sell investments at a loss to cover the redemption. When large purchases are made, the portfolio manager may be forced to hold a large amount of cash until it can find suitable investments.
Leverage risk	When a fund borrows to make investments, it is leveraged. This is the risk that capital losses are magnified by the use of borrowing.
Liquidity risk	Liquidity refers to the speed and ease with which an asset can be sold and changed into cash. Some securities may be illiquid because of their nature (e.g. real estate), but sometimes a shortage of buyers may cause a security to become illiquid. Funds exposed to securities that become illiquid may lose money or be forced to impose redemption restrictions.
Market risk	This is the risk that stock market fluctuations may negatively impact the value of an equity investment.
Prepayment risk	Certain fixed income securities, including mortgage-backed or other asset-backed securities, can be prepaid before maturity. If this happens unexpectedly or faster than predicted, the fixed income security can offer less income and/or potential for capital gains.
Reinvestment risk	This is the risk that a fund may be forced to invest the proceeds of maturing securities in securities paying a lower interest rate.
Repurchase, reverse repurchase transactions and securities lending risk	A repurchase transaction is where a fund sells a security to a party for cash and agrees to buy the same security back from the same party for cash. Securities lending is similar to a repurchase transaction, except that instead of selling the security and agreeing to buy it back later, the fund loans the security and can demand the return of the security at any time. In a reverse repurchase transaction a fund buys a security at one price from a party and agrees to sell the same security back to the same party at a higher price later on. It is a way for the fund to earn interest on cash balances. The risk with these types of transactions is that the other party may default under the agreement or go bankrupt, which would create losses for the fund.
Small cap risk	Smaller companies are typically riskier than larger ones because smaller companies are harder to value, they have smaller financial resources and they may be less liquid.
Specialization risk	This is the risk that is present when a fund invests in a particular part of the world, a particular industry or using specific investment style, such as value or growth.

Making Changes to Your Investments & Administrative Forms

1 Go to the Human Resources web site: **www.uwo.ca/humanresources**

2 At top right corner click "**Login to Pension Account**".
If you are accessing your online pension account for the first time, you may find the online demo helpful. To view, click on "a voice narrated demonstration".

3 Scroll down to the grey box and type your User ID and password.

4 Click "**Transactions**" from the menu on the left.
Note: you can change your accumulated account or future contributions or both as follows:

5 Click "**Investment Allocation Accumulated**", select the plan and account. Type your new fund percentages to a total of 100%. You will need to do this for both "Regular" and "Voluntary" accounts if applicable. Click "**submit transaction**". Confirm your choices then click "**submit transaction**" again. *A confirmation number will appear on the screen. Please make note of this number.*

6 Click "**Investment Allocation Future**" select the plan and account. Type your new fund percentages to a total of 100%. You will need to do this for both "Regular" and "Voluntary" accounts if applicable. Click "**submit transaction**". Confirm your choices then click "**submit transaction**" again. *A confirmation number will appear on the screen. Please make note of this number.*
Note: to view or cancel your change, follow the instructions under "Transactions" "Pending Investment Allocation" for both Accumulated" and Future" if applicable.

7 Select "**logoff**" from the menu on the left.

How Am I Currently Invested?

To view your current investment instructions and account balance, follow Steps 1 to 3 above, then click "**Balances**".
You can print a statement using your web browser's print function. For best results, change the page orientation to "landscape" before printing.

How to change my investments directions by form

1 Go to the Human Resources web site: **www.uwo.ca/humanresources**

2 At the bottom right corner click "**Documents and Form**s"

3 Click beside "**Forms**" "**Pension**" "**Pension Investment Change Form**".

4 Print the form.

5 Complete the top section of the form.
Note: you can change your accumulated account or future contributions or both as follows:

6 Enter your new fund percentages to a total of 100% under:
"**New Allocation of Accumulated Account**"
and/or "**New Allocation of Future Contributions**"
Complete both "**Regular**" and "**Voluntary**" (if applicable).

7 Sign and date at the bottom.

8 Return the form to Human Resources, Room 262, Stevenson Lawson Building by:
campus mail: HR – Pension, SSB 5100
fax: 519-661-4104 or ext. 84104