

Draft Amendment (to be used for the Retirement Plans and UWO RIF)

SCHEDULE C

ADDITIONAL PROVISIONS THAT APPLY TO INTERESTS IN
AFFECTED INVESTMENT ACCOUNTS OR
THE UWO LIQUIDATING TRUST

“1.(a) Notwithstanding the provisions of this Plan and any other Schedule, the provisions of this Schedule C apply to the General Account and the Regular Accounts and Voluntary Accounts of Members and Former Members which are invested in units of any of the Affected Investment Accounts on September 30, 2009 or which are invested in units of the UWO Liquidating Trust on and after September 30, 2009.

(b) In this Schedule,

“Affected Investment Accounts” shall mean the Balanced Growth Fund, the Balanced Income Fund, the Diversified Equity Fund, the U.S. Equity Hedged Fund, and the U.S. Equity Unhedged Fund Investment Accounts established for the Pension Fund.

“Effective Date” shall mean September 30, 2009.

“Liquidation Protocol” shall mean the protocols and other terms and conditions established by the Pension Board for the redemption of units of the UWO Liquidating Trust, as amended by the Pension Board in its sole discretion from time to time.

“Restructured Notes” shall mean the notes issued in connection with the restructuring of certain asset-backed commercial paper conduits pursuant to the Plan Implementation Order dated January 12, 2009 by the Ontario Superior Court of Justice, Court File No. 08-CL-7440.

“UWO Liquidating Trust” shall mean the unit trust established to hold all direct interests in asset-backed commercial paper and Restructured Notes held for the benefit of the University of Western Ontario Retirement Plans, and maintained to facilitate an orderly disposition of Restructured Notes.

2. **Segregation of Restructured Notes to the UWO Liquidating Trust**

(a) The purpose of the transactions described in this paragraph 2 is to segregate Restructured Notes from the remaining assets of the Affected Investment Accounts. At the completion of the transactions described in this paragraph, the relative exposure of the Regular Accounts and Voluntary Accounts of Members and

Former Members and the General Account to the Restructured Notes will be the same as it was immediately prior to the transaction.

- (b) On the Effective Date, all units of each Affected Investment Account held in the Regular Account or Voluntary Account of each Member or Former Member and in the General Account shall be redeemed at the direction of the Pension Board. The proceeds of redemption shall be allocated by the Pension Board acting on the advice of its auditor or other expert advisor retained for this purpose in accordance with this paragraph.
- (c) All Restructured Notes received from the redemption of units of the Affected Investment Accounts shall be allocated to the UWO Liquidating Trust. The General Account and the Regular Accounts and Voluntary Accounts of Members and Former Members will be credited with units of the UWO Liquidating Trust having an aggregate value identical to the value of the Restructured Notes received as a result of the redemption of all units of the Affected Investment Accounts.
- (d) All proceeds other than Restructured Notes received from the redemption of the units of the Affected Investment Accounts shall be re-allocated to the relevant Affected Investment Account. The General Account and the Regular Accounts and Voluntary Accounts of Members and Former Members will be credited with units of the relevant Affected Investment Account having an aggregate value identical to the value of the proceeds (except the amounts allocated in accordance with paragraph 2(c)) received as a result of the redemption of all units of such Affected Investment Account.
- (e) The value of one unit of the UWO Liquidating Trust shall be determined by the Funding Agent by dividing the total market value of the assets held in the UWO Liquidating Trust, determined by such methods as the Pension Board considers reasonable, by the number of units of the UWO Liquidating Trust outstanding.

3. **Investment, Redemption and Valuation of Units of the UWO Liquidating Trust**

- (a) The UWO Liquidating Trust shall be an Investment Account for the Pension Fund.
- (b) Units of the UWO Liquidating Trust shall be available for redemption only in accordance with the Liquidation Protocol in effect from time to time.

- (c) After the Effective Date, units of the UWO Liquidating Trust shall not be available for purchase. At no time shall the units of the UWO Liquidating Trust be available for transfer between Members or Former Members.
- (d) The part of the General Account, and the part of each Member or Former Member's Regular Account or Voluntary Account that is invested in units of the UWO Liquidating Trust is not available for withdrawal, re-allocation to other Investment Accounts or to provide a pension, cash payment, death benefit, transfer to any other retirement savings vehicle, deferred pension or an annuity except to the extent redemption of a corresponding number of units of the UWO Liquidating Trust are available for redemption in accordance with the Liquidation Protocol.
- (e) Notwithstanding the provisions of the Plan requiring interest to be credited on the amount of a withdrawal from the Plan on account of a termination, retirement, death, or an election to make a withdrawal from a Voluntary Account, with respect to the part of a Regular Account or Voluntary Account that is invested in units of the UWO Liquidating Trust at the relevant time, interest shall be calculated, if applicable, from the actual date of redemption of the units of the UWO Liquidating Trust to the date of payment of the redemption proceeds.
- (f) The Pension Board shall determine, from time to time, the value of one unit in the UWO Liquidating Trust. Such value shall be determined by dividing the value of all property held in the UWO Liquidating Trust, as determined by the Pension Board in its reasonable discretion to most accurately reflect its fair value, by the number of units outstanding in the UWO Liquidating Trust. Interest and other investment income shall be reinvested and any expenses associated with the investment management of the UWO Liquidating Trust, including any charges of the Funding Agency, shall be charged to the UWO Liquidating Trust directly.

DRAFT: LIQUIDATING TRUST PROTOCOL

- Active pension plan members and ex-spouses and RIF members: provided with an opportunity to choose to sell or hold after the carve out , thereafter, if a liquid market is still not present, we will re-assess the situation in one year or at some other reasonable time in the future. Any re-assessment to consider the market and the administrative implications.
- All sell orders require member to sign a waiver – if buyer can be found at a price range consistent with valuation.
- Sale done on a prorated basis.
- If no direction from member then the default is holding the restructured notes.
- Former members and estates prior to carve out holding Liquidating Trust units now – this class will be offered the choice to sell or hold, though it is anticipated that as redemption requests have been made sometime ago and for some there is no ongoing connection with the retirement plans, this class may be more likely to sell.
- Members to receive reconciliation statement – of their account holdings before and after their restructured notes have moved to the Liquidating Trust.
- Members will not be able to purchase more restructured notes.

Transfer Mechanics

- KPMG to provide oversight for the transfer of the restructured notes to the Liquidating Trust

Proposed Timeline for plan Amendments

- Announcement, draft amendment and updated website ready – **Jun 30/09**
- Feedback window for comments starts – **June 30/09**
- Provide formal notice to unions and employee groups target date: **Aug 1/09**
- FSCO contacted re – nature of the amendment to determine if any additional notice needed because the amendment is deemed “adverse¹”- **July /09**
- Effective date of amendments for both pension plans and RIF – **Sept 30/09**

¹ Opinion from Hicks Morley is that the amendment it not likely to be considered adverse but it is advisable to contact FSCO on this matter.