

AUDIT OF UWO NON-BANK ABCP RESTRUCTURING PLAN**Motion:**

That KPMG be hired to perform the procedures listed below, as part of an audit of the transactions related to the University of Western Ontario restructuring its non-bank asset-backed commercial holdings. The cost of this work will not exceed \$10,000 (excluding GST).

For any procedures listed below, report any differences greater than **\$50** and **0.5%**.

1. Recalculate the percentage utilized by Plan management in determining the redemption restrictions as of August 31, 2007 (the “initial redemption restriction percentage”) for each of the Diversified Equity, Balanced Growth, Balanced Income, US Equity Hedged, and US Equity Unhedged funds (“five funds”).
2. Agree the dollar amounts utilized in the “Northwater Cash and Securities” spreadsheet maintained by Northern Trust which are utilized in the percentage redemption restriction calculation to the Northwater Statements for the months of, November 2007, March 2008, September 2008 and May 2009 and recalculate the redemption restriction percentages used for each of the five funds.
3. Tie the dollar amount transferred on specific dates from one or more of the five funds to the Basis Detail reports (member statement) by completing the following procedures:
 - a. Select a judgmental sample of 20 member transfers of funds out of one of the five funds, from a listing provided by management.
 - b. For each transfer selected, recalculate the amount transferred to the Liquidating Trust using the redemption restriction percentage for that month for the applicable funds, multiplied by the total securities (cash plus illiquid securities) transferred out.
 - c. Agree the amount transferred to the Liquidating Trust to the Basis Detail (member statement) reports for that month.
4. Select a sample of 20 members, with holdings in at least one of the five funds from a listing provided by management as at May 31, 2009.

For each member complete the following:

- a. Agree total investment in the five funds to the member statement as of August 31, 2007.

- b. Recalculate the initial restriction amount for each fund by multiplying the total investment in each fund by the initial redemption restriction percentage. Sum the restriction amounts for all five funds.
 - c. Complete steps a. and b. as at May 31, 2009.
 - d. Reconcile the initial and May 31, 2009 redemption amounts considering the Northwater write-down in ABCP in December 2007 and for changes in foreign exchange rates.
5. Using the members selected in procedure 3, perform the same steps described in procedure 4, except the reconciliation will be done between the transaction date and May 31, 2009.
6. At the future date, when the ABCP investments are liquidated, for the same 20 members selected in procedure 4, design similar procedures to that listed in step 4, to be determined once the exact liquidation process is known, to reconcile the member's investment restriction amount immediately prior to the liquidation, to the proceeds on liquidation allocated to the member's account.