

WLUF

Wilfrid Laurier University
Faculty Association

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July 7, 2010

Re: WLU Pension Plan Temporary Solvency Funding Relief

As a member of the WLU Pension Plan, you will have received a letter from Human Resources regarding "Temporary Solvency Funding Relief" for the Minimum Guarantee Pension (MPG).

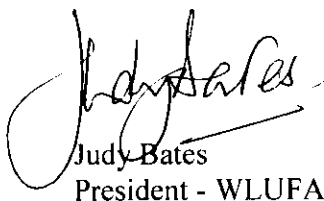
I am writing to inform you that the University proposal has been reviewed and agreed to by WLUF.

Following a presentation by Dr. Max Blouw, the University President, and Jim Butler, the Vice-President: Finance, the WLUF Executive along with members with experience as WLUF representatives on Board pension committees and in collective bargaining, met to review the University proposal on making application for temporary solvency funding relief under measures initiated by the government of Ontario. Following review by legal counsel, the WLUF Executive, on behalf of full-time members and CAS members who are members of the WLU Pension Plan, agreed to the University proposal.

As the letter from Human Resources sets out, the solvency question only applies to the MGP portion of the pension plan. The deficiency in funding the plan is partly due to the recent crisis in the financial markets, and partly due to the university's inadequate funding of the MGP. Making up the deficiency in funding without an application for extension would have a significant impact on the university operating budget. The risk of the proposal, as the letter from Human Resources states, is that "it will take longer to achieve full security of pension benefits in the event the Plan was terminated prior to full funding being achieved." At a publicly funded institution such as Wilfrid Laurier University, the conditions required to terminate the pension plan are without historical precedent in Ontario.

As the certified bargaining agent for full-time and CAS Members, WLUF has the legal authority to act on behalf of its members on this matter. As the letter above indicates, after thorough review of its financial and legal implications, the Association has agreed to the university's proposal to seek temporary solvency funding relief under these exceptional circumstances.

Sincerely,



Judy Bates
President - WLUF