

**TORONTO DISTRICT SCHOOL BOARD BUSINESS AND SUPPORT EMPLOYEES'
PAID-UP PENSION PLAN (REG. NO. 0369785)**

NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING

**TO: MEMBERS AND FORMER MEMBERS OF THE PLAN AND ANY OTHER
PERSON ENTITLED TO BENEFITS UNDER THE PLAN AS AT DECEMBER
31, 2004**

THIS NOTICE IS IMPORTANT TO YOU

Introduction

Please read this notice carefully. This notice provides you with information relating to an upcoming court hearing. The background details are described below. **The pension benefits you have earned are completely safe and you will continue to be entitled to those pension benefits.** This notice is further to information that was sent to you in May 2009.

Application for Surplus Withdrawal to Pension Regulator

An application for the withdrawal of surplus from the Toronto District School Board Business and Support Employees' Paid-up Pension Plan (the "Plan") will be filed with the Financial Services Commission of Ontario ("FSCO"). As part of the application, and pursuant to all applicable legislation, the Toronto District School Board (the "TDSB") will take the necessary steps and file the necessary documents with FSCO to support its request for consent to distribute the Plan's surplus assets (the "Surplus") to itself and the Class members as set out below, following the proposed wind-up of the Plan.

Under the Surplus Sharing Agreement (the "Agreement") between the TDSB and certain Plan members, the Plan will be wound-up following the securing of pension benefits through annuity purchases. Legal and actuarial expenses associated with the wind-up of the Plan will be deducted from the Surplus, and the remaining amount will be split, with 50% being paid to the Sharing Group (as defined below) and 50% to the TDSB. Under the terms of the Agreement, the Sharing Group consists of members and former members of the Plan and other persons entitled to benefits under the Plan as at December 31, 2004 (the "Sharing Group").

Summary of the Agreement

Under the Agreement, the Plan will be wound up and annuities will be purchased to cover all pensions. **The pension benefits you have earned under the Plan are completely safe and you will continue to be entitled to those pension benefits.** If the Agreement is implemented the only change in relation to your pension benefits is that you will receive those same payments from an insurance company instead of the current trust company for the Plan.

The Surplus (ie. the money that is left in the Plan after the pensions are fully covered) will be used first to pay for the administrative costs of winding up the Plan. The remaining portion of the Surplus will be divided equally between the School Board and the Sharing Group. In other words, after paying for the cost of the wind-up, 50% of the Surplus will be allocated to the

School Board and 50% of the Surplus will be allocated to the Plan members, or their beneficiaries where applicable, as a group.

Before any Surplus distributions are made to individuals, the members' share of Surplus will be used to pay for all legal, actuarial and court fees that were incurred on the Plan members' behalf while negotiating and implementing the Agreement. The remaining Surplus allocated to the Sharing Group will be distributed to the eligible members, beneficiaries and estates. At no time will you be asked to pay any fees personally. All costs associated with the Agreement will be covered by the Plan's Surplus.

Each member of the Sharing Group will receive a pro rata share of the Sharing Group's portion of the Surplus, based on the actuarial value of each member's pension entitlement under the Plan as at December 31, 2004. **Under the Agreement, all Sharing Group members (or their beneficiaries or estates where applicable) are guaranteed a minimum share of at least \$2,000.** Sharing Group members will receive their share as a cash payment, less applicable withholding taxes.

The Agreement is conditional on receiving regulatory approval, court approval, and no more than 5% of the Sharing Group members "opting out" of the court proceeding, as described below.

Application to Court for Approval of the Agreement

In connection with the application to FSCO, the TDSB has commenced an application to the Superior Court of Justice (the "Court Application") for, among other things, a determination that the Plan permits the payment of surplus to the TDSB, and approval of the Agreement.

The Court Application also seeks certification of a class proceeding. Under the proposed class proceeding, a class will be certified, comprised of the following individuals:

Members and former members of the Toronto District School Board Business and Support Employees' Paid-up Pension Plan, and any other person entitled to receive benefits from the Plan as at December 31, 2004 (the "Class").

Two retired members of the Plan, Audrey Field and Alex Thomson, have been named as representative respondents in the Court Application.

The representative respondents have retained the law firm of Koskie Minsky LLP. Pursuant to the Agreement, the legal fees of Koskie Minsky LLP will be paid out of the Surplus in the Plan. **As such, there is no direct cost to you to participate in this class proceeding.**

Settlement Approval Hearing

The parties will attend before the Ontario Superior Court of Justice on **July 6, 2010, at 10:00 a.m.** to seek certification of the proposed class proceeding, and to obtain Court approval of the Agreement (the "Settlement Approval Hearing").

Members of the proposed Class who wish to object to the Agreement are encouraged, but are not required, to send notice explaining the reasons for their objections to Koskie Minsky LLP by no later than **June 29, 2010**, to the following address:

Koskie Minsky LLP
20 Queen Street West, Suite 900, Box 52
Toronto, Ontario, M5H 3R3
Attn: Toronto District School Board Business and Support Employees' Paid-up Pension Plan
Tel: 1-866-778-7986
Email: tdsbpension@kmlaw.ca

Class Members are also entitled to appear and, subject to the Court's direction, be heard at the Settlement Approval Hearing, with or without counsel of their choice.

If the Agreement is approved at the Settlement Approval Hearing, you will be notified about the settlement approval and will be given an opportunity to opt-out of the settlement. That notice will also tell you that, if you do not opt-out of the settlement, you will be bound by the Agreement and will not be able to commence any legal proceedings in the future about your surplus rights under the Plan. The Surplus payments under the Agreement will not be made if more than 5% of the Sharing Group members opt-out of the settlement.

Please consult <http://www.kmlaw.ca/Case-Central/Overview/?rid=105> for further information regarding the Surplus Sharing Agreement, or call 1-866-778-7986.

PLEASE DO NOT CONTACT COURT STAFF. THEY CANNOT ANSWER YOUR QUESTIONS REGARDING THIS MATTER