

September 10, 2018



Mr. George Cooke
Chair, OMERS Administration Corporation Board of Directors (OAC)
100 Adelaide Street West
Toronto, ON M5H 0E2

Re: OMERS Disclosure surrounding Canada v. Oxford Properties Group Inc.

Dear Mr. Cooke:

Thank you for your response to our August 30, 2018 letter.

Unfortunately, as concerned active members, we are forced to rely on other information sources to confirm that we are receiving good value from OMERS for our pension money. The fact that "both management and the Board are comfortable that appropriate accounting treatment and disclosure of this matter has been made" provides little comfort to plan contributors who, at the end of the day, will be forced to pay for this matter. Rather than curt responses, the OAC Board should be leveraging these exchanges to help to educate OMERS members.

OMERS Directors would be unwise to assume that they continue to enjoy the support of happily indifferent active members who have been contributing to OMERS for years on the blind faith that their retirements benefits will be there for them.

Pension administration and investment is hard work, involves risk, and is not always profitable – we understand that. In good financial times, OMERS pension benefits were expanded by previous employer and employee Directors – we understand that. In weaker financial times, OMERS has to take measures to ensure the pension promise continues to be met – we understand that also.

What we do not understand or accept is the unfairness to active members who now must stand back while their retirement benefits are reduced while the OMERS Boards and management continue to spend lavishly with minimal reporting and accountability. The premise of a jointly sponsored pension plan is that risks and rewards are spread equally among employers, employees, and retirees.

If regular, factual information was received and if members were genuinely consulted, then members might be inclined to trust and rely on OMERS reporting. However, at this point we are not convinced that either OMERS Board has the credibility or capacity to effectively respond to the current and emerging information needs of its active members. This is particularly true as it relates to the SC's proposed plan changes, the SC's endless comprehensive plan review process, and the OAC Board's inability to act independently of both sponsors and management, and make decisions in the best interest of OMERS members.

You can count on COTAPSA to demand more disclosure as we encounter more unreported information about OMERS investment and administration activities.

Regards,

Mike Major
President
COTAPSA