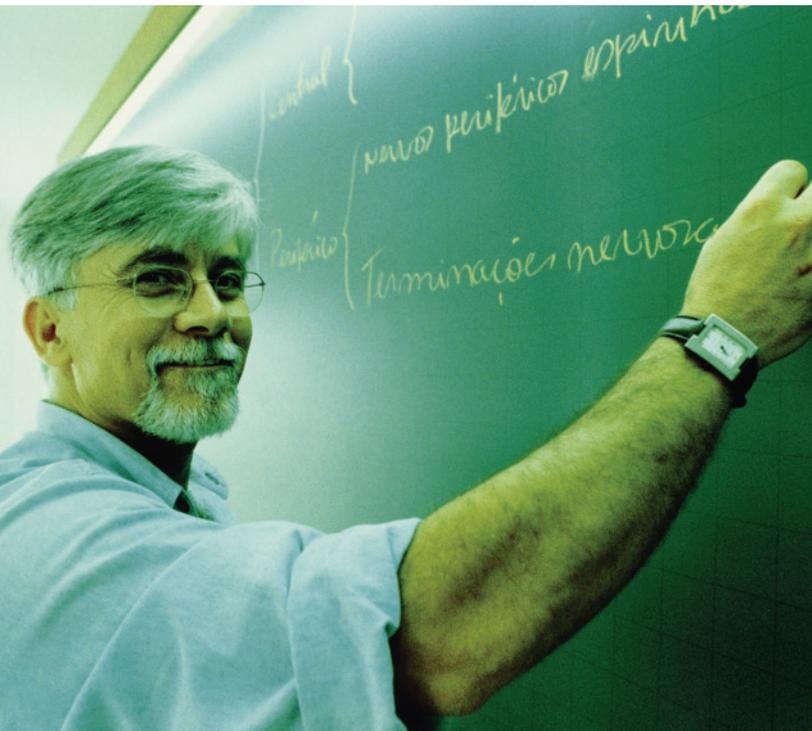


IMPORTANT UPDATES to your investments



University of Northern British Columbia (UNBC), as the plan sponsor of the **UNBC Pension Plan**, has a responsibility to ensure the performance of the available investment funds meet the expectations of the plan. The **UNBC Pension Plan** is reviewed periodically to ensure it offers you the investment choices and the flexibility you need to achieve your goals. As a result of a recent review, we will be updating your plan's fund lineup.

Read this communication to learn about these changes and what they mean to you.

What's changing?

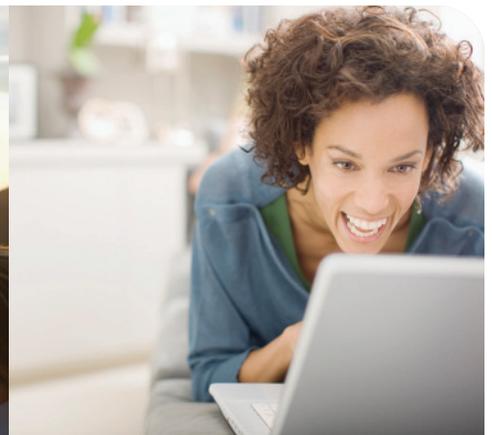
As of **February 13, 2013**, a selection of new funds were added to the **UNBC Pension Plan**. Also, as of **March 28, 2013**, a number of funds currently offered under your plan will be discontinued.

If you do not make changes outlined in **Take Action** below, your account balances and future contributions directed to the discontinued funds will be automatically transferred to the replacement funds on **March 28, 2013**.

Listed in this section are your plan's new investment options as well as the discontinued funds and their corresponding replacement funds.

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Fund categories	New funds	Discontinued funds →	Replacement funds
Balanced	<ul style="list-style-type: none"> • CC&L High Income Segregated Fund • CI Signature Income & Growth Segregated Fund 	<ul style="list-style-type: none"> • Bona Visa Balanced Segregated Fund → • MFS McLean Budden Balanced Growth Segregated Fund → 	<ul style="list-style-type: none"> • CC&L High Income Segregated Fund • CI Signature Income & Growth Segregated Fund
Canadian equity	<ul style="list-style-type: none"> • CC&L Group Canadian Q Growth Segregated Fund 	<ul style="list-style-type: none"> • MFS McLean Budden Canadian Equity Growth Segregated Fund → • MFS McLean Budden Canadian Equity Core Segregated Fund → 	<ul style="list-style-type: none"> • CC&L Group Canadian Q Growth Segregated Fund
Foreign equity	<ul style="list-style-type: none"> • Beutel Goodman American Equity Segregated Fund • Hexavest World Segregated Fund 	<ul style="list-style-type: none"> • MFS McLean Budden U.S. Equity Core Segregated Fund → • MFS McLean Budden Global Research Segregated Fund → 	<ul style="list-style-type: none"> • Beutel Goodman American Equity Segregated Fund • Hexavest World Segregated Fund





Take action

- You will need to update your investment instructions for any new contributions that are currently directed to any of the discontinued funds by **March 26, 2013**.
- You will also need to transfer your existing assets that are invested in any discontinued funds to one of the other investment options in your plan by **March 26, 2013**.

If you don't take action

If you do not make the changes outlined in **Take action**, your account balances/future contributions will be automatically transferred according to the fund chart in the **What's changing?** section.

Any automatic transfers are intended as temporary investments. As a member of a group retirement savings plan, you are responsible for making investment decisions regarding your plan.

Your investment options

Listed in this section are all the investment options offered under the **UNBC Pension Plan** as of **March 28, 2013**.

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Your plan lets you build your own portfolio with funds from a variety of investment fund asset classes. Complete the **Asset allocation tool** for this option (see the **Update your retirement portfolio** section).

You need to build your own portfolio and should become:

- comfortable choosing your own investment funds;
- able to actively manage your portfolio; and
- active in monitoring and making any needed changes to your portfolio to ensure it continues to reflect your investment goals.

Fund categories	New fund lineup	FMFs*
Guaranteed	<ul style="list-style-type: none"> • SLA 1 Year Guaranteed Fund • SLA 3 Year Guaranteed Fund • SLA 5 Year Guaranteed Fund 	N/A N/A N/A
Money market	<ul style="list-style-type: none"> • Sun Life Financial Money Market Segregated Fund 	0.19%
Bond (Fixed income)	<ul style="list-style-type: none"> • BlackRock Universe Bond Index Segregated Fund • PH&N Bond Segregated Fund 	0.24% 0.50%
Balanced	<ul style="list-style-type: none"> • Beutel Goodman Balanced Segregated Fund • CC&L High Income Segregated Fund • CI Signature Income & Growth Segregated Fund • MFS McLean Budden Responsible Balanced Segregated Fund 	0.46% 0.56% 0.74% 0.46%
Canadian equity	<ul style="list-style-type: none"> • Beutel Goodman Canadian Equity Segregated Fund • Beutel Goodman Small Cap Segregated Fund • Blackrock S&P/TSX Composite Index Segregated Fund • CC&L Group Canadian Q Growth Segregated Fund 	0.46% 0.48% 0.24% 0.43%
Foreign equity	<ul style="list-style-type: none"> • Beutel Goodman American Equity Segregated Fund • BlackRock U.S. Equity Index Segregated Fund • CI American Value Segregated Fund • Hexavest World Segregated Fund 	0.50% 0.25% 1.00% 0.88%

*FMFs as at January 2013. The FMFs displayed in this document do not include the applicable sales tax. However, these taxes are charged to your account. FMFs include, but are not limited to, fund operating expenses and investment management fees.

You can find the fees you pay by going online. Simply sign in to **mysunlife.ca** using your access ID and password, and select **my financial centre** > **Accounts** > **Account fees**.

Fee advantage

One of the greatest benefits of contributing to the **UNBC Pension Plan** that's often overlooked is the low management fees you pay for your investment funds. This is possible because UNBC and Sun Life Financial are able to negotiate lower fees than you could as an individual investor.

The table below shows the difference in the total amount you would save under different management fee rates, assuming \$4,000 is invested each year and your plan account earns 5.75% annually before the management fee^o reduction is applied.

Years of contribution	Total contributions to your plan account	MANAGEMENT FEE*				
		3%	2.5%	2%	1.5%	1%
10 years	\$40,000	\$46,132	\$47,512	\$48,936	\$50,406	\$51,923
20 years	\$80,000	\$105,634	\$112,026	\$118,870	\$126,201	\$134,054
30 years	\$120,000	\$182,379	\$199,625	\$218,814	\$240,176	\$263,972
					\$45,158	

*Assuming fees charged annually at year-end and contributions are made on January 1.

Over a 30-year career, a 0.5% difference in fees (1.5% vs. 2%) means an extra \$21,362 for your long-term savings. And a 1% difference (1% vs. 2%) adds an extra \$45,158 to your nest egg!

Remember – as a member of a group plan, you're already a step ahead when it comes to fees. By maximizing your contributions to the plan, you'll benefit even more from the fee savings available to you.



Update your retirement portfolio

You can access Sun Life Financial's Plan Member Services website to update the investment options in your retirement portfolio. But, before you do this, follow these steps to ensure your investment strategy is right for you.

Step 1 – Getting started

Sign in to **mysunlife.ca** using your access ID and password. On the **Home** page, select **my financial centre**.

Step 2 – How comfortable are you with investment risk?

The best way to determine your comfort level with investment risk is to complete the **Investment risk profiler**. Once you've signed in, select **my money tools** under the **Resource Centre** drop-down menu and select **Continue** to begin.

Step 3 – What's your vision of retirement?

Planning can be easy with the **Retirement planner**. The planner lets you determine how much you need to save now to provide you with your desired income level in retirement. You can adjust a number of variables, and as they change over time, use the planner to update your calculations to see if any changes to your plan are necessary. To access this tool, select **my money tools** under the **Resource Centre** drop-down menu followed by **Retirement planner**.

Step 4 – Learn about your investment options

You can learn more about the investment options offered in the **UNBC Pension Plan** through **Morningstar®**, a leading provider of investment news and analysis. Under the **Accounts** drop-down menu, select **Investment performance**, followed by the **Morningstar®** link.

Step 5 – Update your investments

To update your investment selections, select **Change investments** under the **Requests** drop-down menu. You can also update your account by calling Sun Life Financial's Customer Care Centre at **1-866-733-8612** any business day from 8 a.m. to 8 p.m. ET.

There are no charges for transfers; however, a two per cent fee may be charged if you make a transfer into a fund followed by a transfer out of the same fund within 30 calendar days.

Your access ID and password

You'll need a personal access ID and password to access your account online or by phone.

Don't have an access ID or password?

Sign in to **mysunlife.ca** using your account number (see your welcome letter or your statement for this number) and select **Register now**.

- Forgot your access ID? Select **Forgot your access ID?**
- Forgot your password? Select **Forgot your password?**

Additional information

The next **pension plan orientation session** for new plan members is:

March 21, 2013
1:30-2:30 p.m.
Administration Building, 1079, Senate Chambers

The **Pension Plan Annual General Meeting** is scheduled for:

April 23, 2013
12-1 p.m. or 1:30-2:30 p.m.
Both meetings are held in the Conference Centre room 6-205.

Plan members can attend one of two sessions.

Questions

If you have any questions, please contact Sun Life Financial's Customer Care Centre at **1-866-733-8612** from 8 a.m. to 8 p.m. ET, any business day.

Know your responsibilities

As a member of **UNBC Pension Plan**, you're responsible for making investment decisions and for using the tools and information that have been provided to help you make these decisions. You should also decide if seeking investment advice from a qualified individual makes sense for you.