

Re: Letter to Premier Wynne re Pension Trustee 05 08 2017

From: "Rondeau, Marc (TBS)" <marc.rondeau@ontario.ca>
To: "Simone, Nicole (TBS)" <nicole.simone@ontario.ca>
Cc: "Angus, Helen (TBS)" <helen.angus@ontario.ca>, "Pearson, Reg (TBS)" <reg.pearson@ontario.ca>
Date: Mon, 08 May 2017 15:49:36 -0400

Looking forward to seeing it. Had asked my team to draft a response but will tell them to stand down.

Thanks,

Marc

On May 8, 2017, at 3:14 PM, Simone, Nicole (TBS) <Nicole.Simone@ontario.ca> wrote:

I understand the MO is currently crafting a response. I've asked them to share it with me so I can send to you, but in the meantime it sounds like they want to be able to say something along the lines of "Mr. H has reached out to the COIC to make a determination on whether there is a conflict. Mr. H has agreed to follow the advice of the COIC following this determination."

Helen – based on your conversation on Friday, I didn't think there would be a formal determination made by the COIC. In any case, I think this should probably be softened in the response, but open to your thoughts.

From: Rondeau, Marc (TBS)
Sent: May 8, 2017 1:35 PM
To: Angus, Helen (TBS)
Cc: Simone, Nicole (TBS); Pearson, Reg (TBS)
Subject: Fwd: Letter to Premier Wynne re Pension Trustee 05 08 2017

Another wrinkle. I have reached out to OPSEU. We do not comment on their appointees and I don't think it is appropriate for them to weigh in on ours.

Thanks,

Marc

Begin forwarded message:

From: Tim Shortill <TShortill@optrust.com>
Date: May 8, 2017 at 1:21:50 PM EDT
To: Marc Rondeau <Marc.Rondeau@ontario.ca>
Subject: Fwd: Letter to Premier Wynne re Pension Trustee 05 08 2017

Fyi. We were just copied on this.

Begin forwarded message:

From: Hugh O'Reilly <HOREilly@optrust.com>
Date: May 8, 2017 at 1:14:37 PM EDT
To: *Executive Committee <ExecutiveCommittee@optrust.com>, Darcy McNeill
<DMcNeill@optrust.com>
Subject: FW: Letter to Premier Wynne re Pension Trustee 05 08 2017

FYI

Hugh O'Reilly
President & CEO
OPSEU Pension Trust
1 Adelaide Street East, Suite 1200
Toronto, Ontario M5C 3A7
TEL: (416) 681-4505
Email: horeilly@optrust.com

From: Thomas, Warren (Smokey) [<mailto:wthomas@opseu.org>]
Sent: Monday, May 08, 2017 12:15 PM
To: premier@ontario.ca
Cc: Hugh O'Reilly
Subject: Letter to Premier Wynne re Pension Trustee 05 08 2017
Importance: High

May 8, 2017
premier@ontario.ca

Via email:

The Honourable Kathleen Wynne, Premier

Room 281, Main Legislative Building

Queen's Park

Toronto, Ontario M7A 1A1

Dear Premier Wynne:

Re: The Appointment of OPSEU Pension Trust Government Trustee
to the Board of Directors of Home Capital Group Inc.

I write in OPSEU's capacity as Sponsor of the OPSEU Pension Trust.

Certain facts have been made public which are a cause for concern with respect to the Board membership of the OPSEU Pension Trust.

Specifically, the appointment of OPSEU Pension Trust Government Trustee Alan Hibben to the Board of Directors of Home Capital Group Inc. has raised concerns for OPSEU and its members, who depend on this plan for their retirement income and the security of their families.

It cannot have escaped the Government's notice that the financial situation of Home Capital Group Inc. has been the subject of controversy, worry and concern not just among OPSEU's members, but on the part of the public at large. It has excited commentary in reputable media outlets throughout Canada.

In particular, the recent transaction between the Healthcare of Ontario Pension Plan and Home Capital Group Inc. has attracted attention not just because of the magnitude of the transaction or the source of funds being provided to Home Capital, that being a public sector pension plan. It has attracted adverse professional attention in, among other outlets, the Globe and Mail, because of the fact that the President and CEO of HOOPP as well as an employer trustee of HOOPP were at the time also directors of the company in question. Whether

this resulted in an actual conflict of interest is not the point. It is clear that it resulted in an appearance of a conflict of interest and a reputational risk which must be scrupulously guarded against in the interests of the health of any pension plan, its members, retirees and beneficiaries, and the overall interests of all workers in stable, well managed pension plans.

It now seems that the Government is prepared to create the same potential appearance of a conflict of interest and reputational risk in the context of the OPSEU Pension Trust. Government Trustee Alan Hibben has been appointed to the Board of Home Capital Group Inc. and has, to date, apparently declined to resign his position as Trustee on the OPSEU Pension Trust.

I am writing to you to express in the strongest possible terms that this is not appropriate, should not have happened and must be corrected immediately. OPSEU, as Sponsor and on behalf of its affected members, strenuously objects to Alan Hibben being a Government appointee to the OPSEU Pension Trust while he holds the position of director on the board of Home Capital Group Inc. Further, we take the position that the appointment to our pension plan Board of Trustees must be withdrawn in light of the potential conflicts and the actual reputational risk to the OPSEU Pension Trust.

We look forward to your earliest constructive response to these concerns and anticipate that you will take all appropriate steps to rectify the situation.

Yours truly.

Warren (Smokey) Thomas

President, OPSEU

(Signed letter attached)

cc. Mr. Hugh O'Reilly

CEO and President, OPTrust

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