



May 3, 2017

Jim Keohane, President and CEO
Healthcare of Ontario Pension Plan (HOOPP)
1 York Street, Suite 1900
Toronto, Ontario M5J 0B6

Via email

Re: Request for a meeting of HOOPP Settlers re: HOOPP and Home Capital Group

Dear Mr. Keohane:

I am writing to request that you convene a meeting of HOOPP Settlers (sponsors) to discuss recent news related to HOOPP and Home Capital Group (HCG).

Several facts that have been made public in recent days are cause for concern, specifically:

- HOOPP recently loaned \$2 billion to HCG, a company whose Board of Directors included you until your resignation from that board just days ago.
- Kevin Smith, an Ontario Hospital Association appointee to the HOOPP Board of Trustees, was Chair of the HCG Board. He has now resigned from the HOOPP Board.
- HCG has been under investigation by the Ontario Securities Commission for some time.
- HCG's stock price has been dropping precipitously since the summer of 2014, falling from a high of over \$55 then to a low just above \$7 today.

These facts raise questions, and on behalf of the 12,000 members of OPSEU who depend on HOOPP to secure their incomes in retirement, we are seeking answers. Specifically, we want clarification on how the recent HCG particular investment was made, who was involved, and the business case for making it.

We are also very interested in discussing what policies, specifically around governance, need to be reviewed.

I am sure we all agree that conflict of interest must be avoided in all business dealings; I would add that entities that manage so much money, on behalf of so many people, must also avoid the appearance of conflict of interest.

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HOOPP has been, and continues to be, highly ranked as a successful pension plan. Its return on investment for plan members has been excellent for a long time, even in difficult times, and to the best of my knowledge HOOPP members are more than satisfied. That being said, I would be remiss if I did not take the steps needed to reassure members that HOOPP continues to be managed in an appropriate manner.

I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Warren Thomas", written in a cursive style.

Warren (Smokey) Thomas
President, Ontario Public Service Employees Union

- c. HOOPP Settlers
OPSEU sector chairs, Health Care Divisional Council
OPSEU Executive Board