

July 21, 2004

James Malange  
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Oliver, BC  
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Superintendent of Pensions  
1900 – 1050 W. Pender Street  
Vancouver, BC  
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Dear Sir or Madam:

**Re: Disclosure of information by administrator relating to the Operating Engineers' Pension Plan.**

I, James Malange, am a retiree member of the referenced pension plan and over a number of years have endeavoured, without success, to obtain information from the plan administrator regarding certain separate corporate real estate entities that our pension funds have been invested in, namely: The Coast Bastion Hotel or Inn, Nanaimo BC and The Columbia Square Shopping Mall, or similar name, in New Westminster BC.

It is my understanding that there are other corporate entities set up within the scope of the pension plan, and indeed within a division (realty division) of it, but information about this aspect of the plan investments has never been published for the perusal and information of plan members to my knowledge, or their financial statements made available to members.

My concerns relating to these particular entities are:

- a) The relevant financial statements are an integral part of our pension plan's financial statement(s) and, if full disclosure of the financial management of our plan is to be realized and monitored, plan members must have access to them.
- b) The particular corporate entities mentioned above are both 'speculative' real estate developments to my knowledge and, as owners of these entities, we have no idea as to their performance as investments much less the prudence or legal right of any authority to invest in speculative ventures.
- c) Corporate entities within the 'Realty Division' of our pension plan are far removed from scrutiny and monitoring by plan members when members don't even have access to the financial statements of that 'Division'.

d) The obvious intransigence of the plan administrator concerning requested financial information relating to the plan manifests a 'negative inference' respecting the financial integrity of our pension plan, which is, to say the least, 'troubling'.

Effective May 1, 2000 all plan members were forced to accept a significantly reduced pension or accrual of pension due to a large unfunded liability, notwithstanding a stated policy by the Chairman of the Board of Trustees, to quote, "the trustees' policy, and plan provisions, to never permit the plan to have an unfunded liability" (14<sup>th</sup> annual report July 1988).

My rationale in justifying requests for more financial information relating to my pension plan is well articulated in an editorial published by The Vancouver Sun on Thursday, March 4, 2004 entitled, "Effective public scrutiny a remedy for scandal". A copy is enclosed for your perusal and information. Further, this enclosure was forwarded to the administrator of the plan with a letter I sent them on May 6, 2004 but to no avail.

My purpose in writing you about this matter is to determine if your office can and will assist me in dealing with the administrator of my pension plan or, otherwise, advise me how I can access information relative to the financial information I seek

Your reply is anticipated.

Yours truly,

James T. Malange

Encl.

Cc: Operating Engineers' Pension Plan with encl.