PROVINCE OF NOVA SCOTIA
NOVA SCOTIA PUBLIC SERVICE
SUPERANNUATION FUND
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2009

Auditors' report

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To the Minister of Finance, Province of Nova Scotia

We have audited the consolidated statement of net assets available for benefits and accrued pension benefits net of deficiency of the Province of Nova Scotia – Nova Scotia Public Service Superannuation Fund as at March 31, 2009 and the consolidated statement of changes in net assets available for benefits for the year then ended. These consolidated financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the net assets available for benefits and accrued pension benefits net of deficiency of the Fund as at March 31, 2009 and the changes in net assets available for benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Halifax, Nova Scotia
June 8, 2009

Chartered accountants

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PROVINCE OF NOVA SCOTIA
NOVA SCOTIA PUBLIC SERVICE SUPERANNUATION FUND
CONSOLIDATED STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED PENSION BENEFITS NET OF DEFICIENCY
AS AT MARCH 31, 2009

	2009	2008
	(000's)	(000's)
NET ASSETS AVAILABLE FOR BENEFITS		
Assets		
Investments (Note 3)	$ 2,920,087	$ 3,619,754
Contributions receivable		
Employees'	3,403	2,855
Employers'	3,889	3,571
Accrued income	15,496	17,587
Net investment transactions outstanding		1,234
Prepayment and sundry receivables	1,908	1,632
Cash	46,204	4,502
Total assets	2,990,987	3,651,135
Liabilities		
Real estate mortgages (Note 4)	49,288	50,456
Accounts payable	15,242	17,292
Net investment transactions outstanding	28,853	-
Total liabilities	93,383	67,748
Net assets available for benefits	2,897,604	3,583,387
Actuarial asset value adjustment (Note 5)	751	601
Actuarial value of net assets available for benefits	$ 2,898,355	$ 3,583,988
ACCRUED PENSION BENEFITS NET OF DEFICIENCY		
Accrued pension benefits (Note 6)	$ 4,768,219	$ 4,496,218
Deficiency (Note 6)	(1,869,864)	(912,230)
Accrued pension benefits net of deficiency	$ 2,898,355	$ 3,583,988

Approved:

ORIGINAL SIGNED BY JAMIE MUIR

Trustee - Minister of Finance

See accompanying notes to consolidated financial statements.

PROVINCE OF NOVA SCOTIA
NOVA SCOTIA PUBLIC SERVICE SUPERANNUATION FUND
CONSOLIDATED STATEMENT OF CHANGES
IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Increase In Assets	(000's)	(000's)
Contributions		
Employers' – matched	$ 70,088	$ 64,218
Employees' – matched	70,088	64,218
Employees' – unmatched	1,523	4,135
Transfers from other pension plans	4,954	5,524
Total increase in assets	146,653	138,095
Decrease In Assets		
Investment activities (Note 3)	597,933	143,559
Benefits paid	205,821	194,459
Operating expenses (Note 7)	10,885	9,843
Refunds of contributions and interest and transfers to other pension plans	17,797	23,894
Total decrease in assets	832,436	371,755
Decrease in Net Assets	(685,783)	(233,660)
Net Assets Available for Benefits at Beginning of Year	3,583,387	3,817,047
Net Assets Available for Benefits at End of Year	$ 2,897,604	$ 3,583,387

See accompanying notes to consolidated financial statements.

1. Authority and Description of Plan

The Public Service Superannuation Fund (the “Fund”) was established by the Public Service Superannuation Act (the “Act”). It is the funding vehicle for the Public Service Superannuation Plan (the “Plan”), a pension plan that covers employees of the Province and certain other public sector organizations. The detailed provisions of the Plan, including pension eligibility criteria and benefit formulas, are also contained in the Act and in the Regulations made under the Act. The Minister of Finance is the Trustee of the Fund.

The following description is a summary only. For more complete information, reference should be made to the Act and Regulations.

Employee and employer contributions and investment earnings are credited to the Fund. Pensions, payments to terminating employees and administration expenses are charged to the Fund.

The Plan is funded by employee and matching employer contributions of 7.4% of salary up to the Year's Maximum Pensionable Earnings (the “YMPE”) and 9.6% of salary above the YMPE. The YMPE is a figure set annually by the Canada Pension Plan (“CPP”).

The basic pension formula is 2% for each year of pensionable service times the number of years of pensionable service. Pensions are integrated with CPP benefits at age 65. Pensions in pay and deferred pensions are increased on January 1 of each year at a rate equal to the increase in the Consumer Price Index for Canada, to a maximum of 6%.

Plan members are eligible for a pension upon reaching any of the following criteria:
- age 50 with an age plus service factor of 80 – “Rule of 80”;
- age 55 with two years of service (reduced pension);
- age 60 with two years of service;
- age 65.

Certain pension payments are attributable to previous early retirement programs and other unfunded benefits. They are charged to the Consolidated Fund of the Province and participating employers and are not paid from the Fund. [These payments amounted to $17.0 million for the year ended March 31, 2009 (2008 - $16.7 million).]

2. Summary of Significant Accounting Policies

(a) Basis of Presentation:

These consolidated financial statements are prepared on the going-concern basis and present the aggregate financial position of the Fund as a separate financial reporting entity. In the event there are insufficient funds within the Fund to make all payments required by the Act, the Province of Nova Scotia guarantees cash flow assistance with respect to the pension benefits in pay. These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles.

(b) Consolidation:

The Fund holds certain real estate investments through wholly-owned subsidiaries. The consolidated financial statements include the financial statements of the Fund and its subsidiaries.

(c) Foreign Currency Translation:

Transactions denominated in foreign currencies are translated into Canadian dollars at the rates of exchange prevailing on the trade dates of the transactions. The fair values of foreign investments and cash balances held at year-end are translated at the rates in effect at that date. The resulting gain or loss from changes in these rates is included in current period change in fair value of investments.

(d) Investments:

(i) Investments are reported as of trade date and are stated at fair value as at year-end. Fair value is the amount of the consideration that would be agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

Money market securities, fixed income securities and equities are valued at quoted market prices.

Private equity values are estimated with appropriate valuation techniques and best estimates of managers or appraisers.

(ii) The derivative contracts held by the Fund at year-end are valued using quoted market indices. The gains or losses from derivative contracts are included in the realized and unrealized gains or losses on investments.

2. Summary of Significant Accounting Policies (continued)

(iii) Real estate is comprised of income producing properties and real estate pooled funds. Unless recently acquired in the current fiscal year, properties, including real estate mortgages, are valued annually by independent appraisers in accordance with generally accepted appraisal practices and procedures. This process utilizes discounted future cash flows. In estimating future cash flows certain assumptions are made with respect to future economic conditions and rates of return.

The fair value of any real estate that has been recently acquired is based on the purchase price.

(iv) The Fund holds bank-sponsored asset-backed commercial paper in its cash portfolios; however, exposure is limited to multi-seller, multi-asset conduits with global-style credit facilities, thus mitigating both credit and liquidity risk. There has been no impact on the value of these assets at March 31, 2009.

(e) Investment Income/Loss:

Investment income/loss includes interest, dividends and operating income/loss from real estate, which is recorded on the accrual basis. Also included are gains and losses that have been realized on disposal of investments, and the unrealized appreciation and depreciation in the fair value of investments.

(f) Non-investment Assets and Liabilities:

The fair value of contributions receivable, accrued income, net investment transactions outstanding, sundry receivables, cash and accounts payable approximate their carrying amounts due to their short-term nature.

(g) Contributions:

Basic contributions from employers and members due to the Fund as at the end of the year are recorded on an accrual basis. Service purchases that include but are not limited to leaves of absence and transfers from other pension plans are recorded when received.

(h) Benefits:

Benefit payments to retired members, commuted value payments and transfers to other pension plans are recorded in the period in which they are paid. Accrued benefits are recorded as part of accrued actuarial liabilities.

2. Summary of Significant Accounting Policies (continued)

(i) Use of Estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the year. Actual results could differ from these estimates.

(j) Financial Instruments:

The Fund's financial instruments include cash, contributions receivable, receivable from the Province of Nova Scotia, investments, net investment transactions outstanding, accounts payable and real estate mortgages.

The Fund's short-term financial instruments, consisting of cash, contributions receivable, receivable from the Province of Nova Scotia, net investment transactions outstanding, and accounts payable are carried at cost which, due to their short-term nature, approximates their fair value. Investments and real estate mortgages are carried at fair values as described in note 2 and 4 and are subject to interest, market, credit, currency, price and liquidity risks as described in note 3.

(k) Changes in Accounting Policies:

On April 1, 2008 the Fund adopted the recommendations of the Canadian Institute of Chartered Accountants, Section 3862 and Section 3863 which replaced Section 3861, and the new Section 1535.

Section 3862 “Financial Instruments – Disclosures” and Section 3863 “Financial Instruments – Presentations” required enhanced qualitative and quantitative disclosures relating to financial instruments.

Section 1535 “Capital Disclosures” requires the disclosure of information about an entity’s objectives, policies and capital management processes.

The disclosure requirements are in Notes 3 and 9.

3. Investments and Derivatives

(a) Fair value of investments and related income before allocating the effect of derivative contracts:

	As at March 31, 2009		For the Year	As at March 31, 2008		For the Year
	Asset (000's)	%	Income* (000's)	Asset (000's)	%	Income* (000's)
Money market	$ 136,244	4.7	$ 6,777	$ 325,459	9.0	$ 13,369
Fixed income – directly held	899,707	30.8	32,754	1,121,271	31.0	61,189
Fixed income – pooled fund	85,413	3.0	(51,481)	30,546	0.8	(4,512)
Equities						
Canadian	522,287	17.9	(188,272)	791,541	21.9	8,157
US	470,547	16.1	(61,933)	515,273	14.2	(120,245)
Other foreign	529,989	18.1	(261,497)	594,810	16.4	(98,730)
Real estate – Canadian directly held	193,441	6.6	10,095	181,657	5.0	13,095
Real estate – Canadian pooled fund	79,314	2.7	(1,844)	81,795	2.3	10,819
Money market to-equity-contracts	2,038	0.1	(20,020)	(22,598)	(0.6)	(27,040)
Currency forwards	1,107	-	(63,163)	-	-	-
Securities lending	-	-	592	-	-	-
Other	-	-	59	-	-	339
	$ 2,920,087	100.0	$ (597,933)	$ 3,619,754	100.0	$ (143,559)

* Includes realized losses of $ 63.3 million (gains of $ 166.2 million - 2008) and unrealized losses of $ 698.5 million ($ 430.5 million - 2008). Income from investment activities is net of brokerage commissions of $ 1.4 million ($ 1.1 million – 2008).

(b) Derivative Contracts:

Derivatives are financial contracts, the value of which is "derived" from the value of underlying assets or interest or exchange rates. Derivatives provide flexibility in implementing investment strategy.

The Fund is exposed to credit-related losses in the event of non-performance by counterparties to derivative financial instruments. In order to mitigate this risk, the Fund deals only with highly rated counterparties with whom International Swap and Derivative Association agreements have been executed, normally major financial institutions with minimum credit standard of "A" rating, as supported by a recognized credit rating agency.

3. Investments and Derivatives (continued):

Credit risk represents the maximum amount that would be at risk as at the reporting date if the counterparties failed completely to perform under the contracts, and if the right of offset proved to be non-enforceable. Credit risk exposure on derivative financial instruments is represented by the receivable replacement cost of contracts with counterparties, less any prepayment collateral or margin received, as at the reporting date.

The following table provides details of derivative contracts outstanding as at March 31, 2009:

Money market-to-equity swap contracts

Notional Principal	Original Term	Credit Rating of Counter-party	Equity Index	BA Index	Market Value
(000's)					(000's)
$ 45,816	6 months	AA(low)	S&P/TSX60	CAD-BA-CDOR	$ 2,038

The notional amount of the money market-to-equity derivative contracts represents the volume of the outstanding transaction and serves as the basis upon which the return and the fair value of the contract is determined. The money market-to-equity swap contract is denominated in Canadian dollars and is reset quarterly.

Currency forwards

Notional Amount	Fair Value
(000's)	(000's)
$ 593,466	$ 1,107

Forward contracts are used to manage the currency exposure of investments held in foreign currencies. The net notional amount of the currency forwards represents the volume of the outstanding transactions and serves as the basis upon which the return and the market value of the contract is determined.

3. Investments and Derivatives (continued):

(c) Market value of investments and related income after allocating the effects of derivative contracts:

	As at March 31, 2009		For the Year	As at March 31, 2008		For the Year
	Asset (000's)	%	Income* (000's)	Asset (000's)	%	Income* (000's)
Money market	$ 90,421	3.1	$ 3,026	$ 115,131	3.2	$ 4,350
Fixed income – directly held	899,707	30.8	32,754	1,121,271	31.0	61,189
Fixed income – pooled fund	86,118	3.0	(56,506)	30,546	0.8	(4,512)
Equities						
Canadian	570,147	19.5	(204,540)	999,754	27.6	21,327
US	474,431	16.3	(107,156)	507,988	14.0	(123,994)
Other foreign	526,508	18.0	(274,413)	581,612	16.1	(126,172)
Real estate – Canadian directly held	193,441	6.6	10,095	181,657	5.0	13,095
Real estate – Canadian pooled fund	79,314	2.7	(1,844)	81,795	2.3	10,819
Securities lending	-	-	592	-	-	-
Other	-	-	59	-	0.0	339
	$ 2,920,087	100.0	$ (597,933)	$ 3,619,754	100.0	$ (143,559)

* Includes realized losses of $ 63.3 million (gains of $ 166.2 million - 2008) and unrealized losses of $ 698.5 million ($ 430.5 million - 2008). Income from investment activities is net of brokerage commissions of $ 1.4 million ($ 1.1 million – 2008).

(d) Investment Risk Management:

Risk management relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to foreign currency, interest rate volatility, market price fluctuations, credit risk, and liquidity risk. The Fund has set formal goals, policies, and operating procedures that establish an asset mix among equity, fixed income and real estate investments, require diversification of investments within categories, and set limits on the size of exposure to individual investments and counterparties. Risk and credit committees have been created that regularly monitor the risks and exposures of the Fund. Management oversight, procedures and compliance functions are incorporated into Fund processes to achieve consistent controls and to mitigate operational risk.

3. Investments and Derivatives (continued):

(i) Interest rate risk:

Interest rate risk refers to the fact that the Fund's financial position will change with market interest rate changes, as fixed income securities are sensitive to changes in nominal interest rates. Interest rate risk is inherent in the management of a pension plan due to prolonged timing differences between cash flows related to the Fund's assets and cash flows related to the Fund's liabilities.

The value of the Fund is affected by short-term changes in nominal interest rates. Pension liabilities are exposed to the long-term expectation of rate of return on the investments as well as expectations of inflation and salary escalation.

	2009						2008	
						Average		
	Within 1 year (000's)	1 to 5 years (000's)	5 to 10 years (000's)	Over 10 years (000's)	Total (000's)	effective yield	Total (000's)	effective yield
Money market	$ 136,244	-	-	-	$ 136,244	0.6	$ 325,459	3.8
Bonds and debentures	13,760	$ 293,222	$ 218,167	$ 254,563	779,712	5.4	992,799	4.9
Real return bonds	-	-	-	119,995	119,995	3.4	128,472	2.8
Fixed income pooled fund	6,662	24,684	51,077	2,990	85,413	10.4	30,546	8.7
Total	$ 156,666	$ 317,906	$ 269,244	$ 377,548	$ 1,121,364		$ 1,477,276	

The average effective yield reflects the estimated annual income of a security as a percentage of its year-end market value.

After the effect of derivatives contracts, and without change in all other variables, a one percent increase in nominal interest rates would decrease the fair value of the Fund by $ 61.0 million. A one percent decrease in nominal interest rates would increase the fair value of the Fund by $ 68.7 million.

(ii) Market risk:

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market. The Fund's policy is to invest in a diversified portfolio of investments, based on criteria established in the SIP&G.

3. Investments and Derivatives (continued):

(iii) Credit risk:

Credit risk is the risk of loss in the event the counterparty to a transaction fails to discharge an obligation and causes the other party to incur a loss. Credit risk associated with the Fund is regularly monitored and analyzed through risk and credit committees.

The Fund limits derivative contract risk by dealing with counterparties that have a minimum "A" credit rating.

The Fund is exposed to credit risk from interest earning investments at March 31 31, 2009 from securities:

	2009	2008
	(000's)	(000's)
Federal government	$ 316,280	$ 437,117
Provincial governments	167,228	295,760
Corporate	684,060	748,901
	$ 1,167,568	$ 1,481,778

The Fund lends securities for a fee to approved borrowers. High quality collateral is provided by borrowers to alleviate the credit risk. Regular reporting of the securities lending program ensures that its various components are continuously being monitored.

(iv) Foreign currency risk:

Foreign currency exposure arises from the holding of investments denominated in foreign currencies. A policy of hedging from 30% up to 70% of the currency exposure helps to mitigate this risk.

3. Investments and Derivatives (continued):

The Fund's hedged and unhedged currency exposure from net investment assets as at March 31, 2009 is summarized in the following table:

Currency	2009 hedged	2009 unhedged	2008 unhedged
	(000's)	(000's)	(000's)
Canada	$ 2,318,253	$ 1,724,787	$ 2,461,650
United States	316,069	653,118	573,547
Euro zone	46,497	153,322	203,849
Japan	109,643	157,341	132,259
United Kingdom	35,223	89,901	93,867
Other	77,179	124,395	126,561
Total	$ 2,902,864	$ 2,902,864	$ 3,591,733

After the effect of hedging, and without change in all other variables, a ten per cent increase in the Canadian dollar against all other currencies would decrease the fair value of the Fund by $ 58.5 million. Similarly, a ten per cent decrease in the Canadian dollar against all other currencies would increase the fair value of the Fund by $ 58.5 million.

(v) Price risk

Price risk is the risk of fluctuation in market values of investments from influences specific to a particular investment or from influences on the market as a whole. Price risk does include interest rate risk and foreign currency risk which are also discussed in this note. After the effect of derivatives contracts, and without change in all other variables, a ten per cent increase in market values of all public equities and privately owned equities would increase the fair value of the Fund by $ 184.4 million. Similarly, a ten per cent decrease in market values of all public equities and privately owned equities would decrease the fair value of the Fund by $ 184.4 million.

(vi) Liquidity risk

Liquidity risk is the risk of not meeting the cash obligations of the Fund in an efficient manner. Cash obligations are fulfilled from contributions to the Fund, cash income of the Fund and planned dispositions of Fund assets as required. Cash requirements of the Fund are reviewed on an ongoing basis to provide for the orderly availability of resources to meet the financial obligations of the Fund. The Fund's cash management policy ensures that the quality and liquidity of the investment vehicles within the cash portfolios are consistent with the needs of the Fund.

4. Real Estate Mortgages:

Real estate mortgages are carried at fair value and have various terms to maturity to 2018 with each mortgage secured by a specific real property.

Scheduled principal repayments in each of the next five years, beginning April 1, 2009 are as follows:

2009-2010	$ 864
2010-2011	1,026
2011-2012	10,326
2012-2013	3,160
2013-2014	3,374
Thereafter	30,133
Total	$ 48,883

The real estate mortgage payables are valued at fair values based on prevailing interest rates.

5. Actuarial Asset Value Adjustment:

The actuarial asset value adjustment is comprised of the following:

	2009 (000's)	2008 (000's)
Service Buy-Back Receivable	$ 751	$ 601

This receivable represents the present value of outstanding employee and employer contributions that are due as a result of service buy-backs.

6. Accrued Pension Benefits and Deficiency:

Actuarial valuations of the Fund are carried out annually and provide an estimate of the accrued pension benefits ("Fund liabilities") calculated using various economic and demographic assumptions, based on membership data as at the valuation date. The Plan's consulting actuaries, Mercer, performed a valuation as at December 31, 2008 and issued their report in May 2009. The report indicated that the Plan had an unfunded liability of $1,688.2 million (December 31, 2007 - $732.7 million). A projection to March 31, 2009, applying the same assumptions, indicated an unfunded liability of $1,869.9 million (March 31, 2008 - $912.2 million).

6. Accrued Pension Benefits and Deficiency (continued):

The following table reflects the unfunded liability as at March 31, 2009 and as at March 31, 2008.

	2009 (000's)	2008 (000's)
Actuarial value of assets:	$ 2,898,355	$ 3,583,988
Accrued pension benefits:	4,768,219	4,496,218
Unfunded liability:	($ 1,869,864)	($ 912,230)

Reconciliation of changes in accrued pension benefits:

	2009 (000's)	2008 (000's)
Accrued pension benefits at beginning of year	$ 4,496,218	$ 4,265,104
Interest on accrued pension benefits at 6.86%	308,441	292,586
Contributions and transfers from other pension plans	146,653	138,095
Current service cost in excess of contributions	3,082	2,909
Net impact of changes in assumptions	-	-
Net impact of experience gains and losses relating to accrued pension benefits	37,443	15,877
Benefits paid	(205,821)	(194,459)
Refunds of contributions and interest and transfers to other pension plans	(17,797)	(23,894)
Accrued pension benefits at end of year	$ 4,768,219	$ 4,496,218

The actuarial valuation projects liabilities for each member on the basis of service earned to date and the member's projected five-year average salary at the expected date of retirement. The actuaries have used the unit credit method of determining the current cost and actuarial liability.

6. Accrued Pension Benefits and Deficiency (continued):

The major economic and demographic assumptions used in the most recent valuations are as follows:

	Valuation December 31, 2008	Valuation December 31, 2007
Inflation	2.5% per annum	2.5% per annum
Average Salary Increase	Inflation plus merit ranging from 0.0% to 2.5%, per annum	Inflation plus merit ranging from 0.0% to 2.5%, per annum
Real Rate of Return on Investments	4.25% per annum	4.25% per annum
Average Retirement Age	35% - earliest age for unreduced pension, but not before age 54; 65% - earlier of age 60 and 35 years service	35% - earliest age for unreduced pension, but not before age 54; 65% - earlier of age 60 and 35 years service
Mortality	UP-94 projected to 2015 using scale 'AA'	UP-94 projected to 2015 using scale 'AA'

7. Operating Expenses:

The Fund is charged with administrative and certain other expenses incurred on behalf of the Fund by the Nova Scotia Pension Agency. The following is a summary of these operating expenses:

	2009 (000's)	2008 (000's)
Plan Administration		
Professional services	$ 297	$ 203
Salaries	1,257	998
Supplies and services	224	197
Travel	36	21
Other	169	175
	$ 1,983	$ 1,594
Investment Expenses		
Investment management and custodian fees	$ 8,354	$ 7,718
Professional services	142	141
Salaries	315	233
Supplies and services	17	17
Travel	11	6
Other	63	134
	$ 8,902	$ 8,249
Total Operating Expenses	$ 10,885	$ 9,843

8. Related Party Transactions:

Investments include debentures of the Province of Nova Scotia with total market value of $9.2 million (0.3% of total assets) as at March 31, 2009 ($14.0 million (0.4% of total assets) as at March 31, 2008).

9. Capital Management:

The Trustee (see Note 1) manages the contributions and plan benefits as required by the Public Service Superannuation Act and its related Regulations. The Trustee approves and incurs expenses to administer the commerce required under the Act.

The Trustee provides for the short term financial needs of current benefit payments while investing members' contributions for the longer term security of pensioner payments. The Trustee exercises duly diligent practices and has established written investment policies and procedures, and approval processes. Operating budgets, audited financial statements, yearly actuarial valuations and reports, and as required, the retention of supplementary professional, technical and other advisors, are part of the Fund governance structure.