

**Academic Pension Plan**  
**Estimate of Surplus/Deficit as at December 31, 2010**

EXHIBIT III

**Consolidated**

Assumed discount rate for solvency/acctg	2.93%	
Funding excess/deficit as at December 31, 2009	-\$	156,900
Actuarial liability:	\$	5,766,000
Est benefit payments in 2010	\$	820,326
Est liability at year end	\$	5,102,800
Est assets at year end	\$	4,838,454
Est Funding excess/deficit at December 31, 2010	-\$	264,346
Buffer* of 20% of liability	-\$	1,020,560

Amount available for pension improvements -\$ 1,284,906

\*20% buffer is based on contingency to avoid solvency deficiency

**General Account**

Assumed discount rate for solvency/acctg	2.67%	
Funding excess/deficit as at December 31, 2009	\$	201,900
Actuarial liability:	\$	5,229,000
Est benefit payments in 2010	\$	737,856
Est liability at year end	\$	4,620,972
Est assets at year end	\$	4,730,019
Est Funding excess/deficit at December 31, 2010	\$	109,047
Buffer* of 20% of liability	-\$	924,194

Amount available for pension improvements -\$ 815,148

**Excess Earnings**

Assumed discount rate for solvency/acctg	5.50%	
Funding excess/deficit as at December 31, 2009	-\$	358,800
Actuarial liability:	\$	537,000
Est benefit payments in 2010	\$	82,470
Est liability at year end	\$	481,828
Est assets at year end	\$	108,435
Est Funding excess/deficit at December 31, 2010	-\$	373,393
Buffer* of 20% of liability	-\$	96,366

Amount available for pension improvements -\$ 469,758

\*20% buffer is based on contingency to avoid solvency deficiency

**Asset Allocation**

Excess Earnings Annuities	Dec 31 Balance	%	Policy Mix
Diversified Equity	75,797	69.90%	40%
Liquidating Trust	3,955	3.65%	
TDF 2012	28,683	26.45%	60%
	<u>108,435</u>	<u>100.00%</u>	

**General Account**

Immunized Bond Fund	4,632,486	97.94%	100%
Liquidating Trust	97,533	2.06%	
	<u>4,730,019</u>	<u>100.00%</u>	

**Academic Staff Immunized Bond Fund**

EXHIBIT III

**Summary**

The expected pension payments of the Academic Staff Pension Plan are in line with the future cash flows of the Immunized Bond Fund. As of December 31, 2010 expected future payments were \$5,366,000 and the expected maturity value of the portfolio was \$5,713,673 (including \$132,000 of expected Liquidating Trust value in 2017).

The market value of the portfolio as of December 31, 2010 was \$4,730,019 (including 97,533 of Liquidating Trust).

Immunized Bond Fund Duration: 4.55 years  
Benchmark Duration: 4.53 years

Immunized Bond Fund Convexity: 0.48  
Benchmark Duration: 0.41

<b>Year</b>	<b>Pensioner Payments</b>	<b>Immunized Bond Fund Face Value</b>
2011	669,600	1,195,000
2012	610,400	610,000
2013	552,700	553,000
2014	497,400	498,000
2015	444,900	445,000
2016	395,300	200,000
2017	349,100	349,000
2018	306,200	306,000
2019	266,700	267,000
2020	230,500	230,000
2021	197,400	197,000
2022	167,500	168,000
2023	140,600	141,000
2024	116,600	117,000
2025	95,500	95,000
2026	77,200	0
2027	61,600	0
2028	48,400	0
2029	37,400	0
2030	28,500	0
2031	21,400	0
2032	15,700	0
2033	11,400	0
2034	8,100	0
2035	5,600	0
2036	3,800	0
2037	2,500	325,000
2038	1,600	0
2039	1,000	0
2040	600	0
2041	400	0
2042	200	0
2043	100	0
2044	100	0
2045	0	0
2046	0	0
2047	0	0
2048	0	0
2049	0	0
2050	0	0
2051	0	0
Cash		17,653
<b>Total</b>	<b>5,366,000</b>	<b>5,713,653</b>
<b>Surplus</b>	<b>347,653</b>	

**Academic Staff Pension Plan  
Immunized Bond Fund  
Cash Flow Analysis  
As of 2010-12-31**

