



June 3, 2012

Professor Scott Prudham
President
University of Toronto Faculty Association
720 Spadina Avenue, Suite #419
Toronto, ON M5S 2T9

Dear Professor Prudham:

Re: University of Toronto Pension Plan

Dear Professor Prudham:

The University does not intend to voluntarily reduce its current "Current Service Contribution", as determined by the 2008 actuarial valuation and expressed as a percentage of salary, for the duration of its participation in the Ontario Government's Ontario Regulation made under the Pensions Benefits Act – Solvency Funding Relief for Certain Public Sector Pension Plans (2011). For clarity, this precludes the University from taking a contribution holiday for the term of this memorandum expiring June 30, 2014.

During the term of this memorandum, the increased member contributions will be used to pay current service cost contributions and not to offset any of the University's scheduled special payments as set out in the July 1, 2011 actuarial valuation.

Sincerely,

Professor Angela Hildyard
Vice-President, Human Resources & Equity