

## **Actuarial Error – Solvency Valuation December 31, 2012**

The SaskTel Pension Plan's (SPP) solvency valuation was incorrectly reported in the 2012 Annual Report due to a calculation error by the actuary. The reported solvency deficit was \$308M, however the correct figure was \$362M.

The solvency valuation is disclosed in the Management Discussion and Analysis (MD&A) section of the SPP Annual Report. It does not appear in the financial statements for the SPP, nor does it appear anywhere in SaskTel's corporate reports. The figure is not formally audited, and the SPP auditors expressed no concern over the error when brought to their attention.

Beyond reporting an incorrect figure, this error has no impact on either the plan or SaskTel corporate.

Saskatchewan Telecommunications (SaskTel), has the ultimate responsibility to ensure that pension obligations are paid. SaskTel stands by the pension promise made to our pensioners and remains committed to seeing that promise fulfilled.