

AC PENSION COMMITTEE REPORT MARCH 2008

The committee met with the company March 20, 2008. The fourth quarter un-audited investment results were as follows:

	Dec 31, 2007	Dec 31 2006
Master pension trust fund		
	\$10.879 Billion	\$11.145 Billion
Main pension trust fund		
	\$5.957 Billion	\$6.155 Billion

The downturn in investment performance was mainly due to the sub-prime crisis, the decline in the long term bond rate and the strong CDN dollar having a severe impact on foreign equity return.

Invitations have been sent out by the company to those eligible for the next wave of pre-retirement seminars planned for April 2008. Once confirmed those members will be posted on the portal by employee number. You are reminded if you cannot make it, to notify the company immediately so someone else may take the vacant seat. The next wave will be held in the fall of 2008.

Annual Pension statements will be released at the end of June and for the first time will also be posted on the portal, one view Mercer site.

The company contributed \$130.037 million to the Main pension plan in 2007, in both service costs and special payments.

There were no Ad-hoc adjustments to any retiree pensions in January 2008. This includes all groups.

Next meeting is tentatively June 2008.

Respectfully submitted,

AC IAMAW Pension Committee