

February 10, 2010

Dear MTS Pension Plan Member,

We are writing to provide clarification regarding a recent letter sent to retirees by Mr. Harry Restall, the Retiree Representative on the Pension Committee for the MTS Pension Plan. The letter stated: "Data provided to members of the Pension Committee at the two regular and two special meetings in 2009 reveals that 73% of all retirees have received a lower pension than what they were entitled to since privatization in 1997." These comments are in relation to the calculation methodology used to determine the YMPE average (Years Maximum Pension Earnings under the Canada Pension Plan) which is used in the calculation of pension benefits.

The claim that certain retirees have received a lower pension than what they were entitled to since privatization in 1997 is false, and it is my duty as Plan Administrator to provide you with the following corrections:

- your pension benefits are calculated by the Civil Service Superannuation Board (the "CSSB"), the service provider for the MTS Pension Plan;
- your pension benefits are calculated using the same YMPE average calculation methodology that the Civil Service Superannuation Fund (the "CSSF Method") uses today;
- the CSSF Method used to calculate your pension benefit has been used by the CSSB since 1966; and
- this calculation methodology did not change in 1997 or any time thereafter.

Through the Pension Committee, the Company has offered to improve benefits by changing to an alternative, less complicated, method of calculating the YMPE average, but the Pension Committee has not reached agreement on how to implement such a change. We apologize that you were sent incorrect information on this topic.

If you have any questions, please contact MTS Allstream Benefits Administration at 941-7347 or 1-800-635-4973 or e-mail: [mtspensionplan@mtsallstream.com](mailto:mtspensionplan@mtsallstream.com).

Sincerely,



Brenda McInnes  
Plan Administrator