RE: Impact of pension asset test if asset is based on 50% of funding valuation

From: "Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
To: "Patel, Bharat (TBS)" <bharat.patel3@ontario.ca>
Cc: "Fong, Pauline (TBS)" <pauline.fong@ontario.ca>, "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Sat, 10 Sep 2016 10:07:01 -0400

Thanks Bharat. N

From: Patel, Bharat (TBS)
Sent: September-10-16 10:03 AM
To: Petsche, Nadine (TBS); Fong, Pauline (TBS)
Subject: Re: Impact of pension asset test if asset is based on 50% of funding valuation

OK we will look it.

Sent from my BlackBerry 10 smartphone on the Rogers network.

From: Petsche, Nadine (TBS)
Sent: Friday, September 9, 2016 11:40 PM
To: Fong, Pauline (TBS); Patel, Bharat (TBS)
Subject: FW: Impact of pension asset test if asset is based on 50% of funding valuation

Pauline/Bharat,
Perhaps we can review on Monday am and provide Cindy with some comfort on her calcs? N

From: Veinot, Cindy (TBS)
Sent: September-09-16 10:49 PM
To: Petsche, Nadine (TBS)
Cc: Fong, Pauline (TBS); Patel, Bharat (TBS)
Subject: Impact of pension asset test if asset is based on 50% of funding valuation

Hi Nadine,

I crunched some numbers based on our discussion with Greg re: impact to the statements if the funding valuation (50% thereof) was the asset cap. I'm a better reviewer than cruncher, so I'd like someone to take a look at the logic/calcs before we provide to Greg.

If this is correct, there would be a $5.1 billion impact to opening deficit at the beginning of last year (assuming we would restate), a nominal impact to last year of $106 million (expense) and reduced expense in 2016 of $1,72 billion.

Thanks,