

**IN THE MATTER OF AN APPLICATION TO WITHDRAW SURPLUS
FROM THE CONTRIBUTORY PENSION PLAN FOR SALARIED
EMPLOYEES OF McMASTER UNIVERSITY including
McMASTER DIVINITY COLLEGE (FSCO Reg. No. 0215400)**

- and -

IN THE MATTER OF A SURPLUS SHARING AGREEMENT between
various individuals represented by KOSKIE MINSKY
as listed in Exhibits "E" and "F" to this Affidavit

**AFFIDAVIT OF MICHAEL MAZZUCA
(sworn this 31st day of July 2001)**

I, **MICHAEL MAZZUCA**, of the City of Toronto, Province of Ontario, **MAKE**

OATH AND SAY:

1. I am a partner at the law firm of Koskie Minsky. My firm and I have been retained by the McMaster Employees' Pension Surplus Committee (the "Member Committee") and approximately 4466 individuals who are members, former members or other persons entitled to share in the surplus of the Contributory Pension Plan for Salaried Employees of McMaster University including McMaster Divinity College ("the Pension Plan"). As such, I have knowledge of the matters to which I hereinafter depose.

2. As counsel, I have been extensively involved in negotiations of the Surplus Sharing Settlement Agreement between McMaster University and the members, former members and other persons entitled to share in the surplus, who are eligible to join the "Sharing Group" as defined in the Surplus Sharing Settlement Agreement.

3. During the negotiations of the Surplus Sharing Settlement Agreement, the interests of the members of the Sharing Group were represented by the Member Committee. The Member Committee is composed of 5 members of the Sharing Group who are representative of active members, pensioners and each of associations that represent members and former members of the Plan. Koskie Minsky acted and continues to act as legal counsel to the Member Committee.

4. In February 2001, a written report from the Member Committee was sent out to all members of the Sharing Group, advising them of the nature and proposed contents of the Surplus Sharing Settlement Agreement. Attached hereto and marked as Exhibit "A" to this my Affidavit is a copy of the February 2001 report. The report included a list of several information meetings from February 19, 2001 to March 9, 2001 which were held in Hamilton, Ontario. Mark Zigler, of our firm, or I along with representatives of the Members Committee, met with members of the Sharing Group at these meetings to explain the surplus sharing proposal and to address any member queries. Also there was an actuary at each of these meetings from Eckler Partners Ltd., the actuarial firm retained by the Committee. Attached hereto and marked as Exhibit "B" to this my Affidavit is a copy of the Schedule of Information Meetings.

5. Due to a strike at the University, we had to reschedule the later meetings and posted an advertisement in the Hamilton Spectator reflecting the further dates. Attached hereto and marked as Exhibit "C" to this my Affidavit is a copy of the revised Schedule of Information Meetings.

6. A toll free number was provided by our firm as well as a direct e-mail path whereby members of the Sharing Group could call or write our office with their inquiries regarding the proposed Surplus Sharing Settlement Agreement and could seek any further advice.

7. Individuals who are represented by the Member Committee and who are eligible to join the Sharing Group, were mailed a Ballot and Retainer with the February 2001 report. This Ballot and Retainer gave individuals the option of retaining Koskie Minsky and authorizing Koskie Minsky to enter into the Surplus Sharing Settlement Agreement on their behalf. Attached hereto and marked as Exhibit "D" to this my Affidavit is a true sample of the Ballot and Retainer.

8. As at July 30, 2001, our firm received 4467 signed Ballots and Retainers whereby, a total of 4466 members of the Sharing Group retained Koskie Minsky to enter into the Surplus Sharing Settlement Agreement on their behalf. I am advised by the Plan's actuaries, W.M. Mercer Limited, and verily believe that there are 4496 potential members of the Sharing Group and therefore, we have been retained by 99.3% of the Sharing Group to enter into the Surplus Sharing Settlement Agreement on their behalf.

9. As of July 30, 2001, 3029 active Plan members had, by returning a signed Ballot and Retainer, instructed us in writing to enter into the Surplus Sharing Agreement on their behalf. A list of the said members is attached hereto as Exhibit "E" to this my Affidavit. I am advised by W.M. Mercer Limited that there are a total of 3038 active members in the Plan and

therefore, we have been retained by 99.7% of the active members to enter into the Surplus Sharing Settlement Agreement on their behalf.

10. As of July 30, 2001, 1437 former members including deferred vested members, pensioners and other persons entitled to share in the surplus, had, by returning a signed Ballot and Retainer, instructed us in writing to enter into the Surplus Sharing Settlement Agreement on their behalf. A list of the 1437 former members is attached hereto as Exhibit "F" to this my Affidavit. I am advised by W.M. Mercer Limited that there are a total of 1458 inactive members in the Plan and therefore, we have been retained by 98.5% of the inactive members to enter into the Surplus Sharing Settlement Agreement on their behalf.

11. As of July 30, 2001, we have received one Ballot and Retainer voting against the Surplus Sharing Settlement Agreement. The individual who voted against the Surplus Sharing Agreement is attached as Exhibit "G" to this my Affidavit.

12. I make this affidavit in accordance with the provisions of the Surplus Sharing Agreement, in good faith, and for no other or improper purpose.

SWORN BEFORE ME at the)
City of Toronto, in the)
Province of Ontario this)
day of July, 2001.)
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MICHAEL MAZZUCA