

Estimated Annual Fees as at March 31, 2008
Pension Plan for Faculty, Librarians and Senior Administrative Officers
of Mount Allison University

Investment Management Fees, Administration Fees and Fund Operating Expenses

The University has negotiated with the current record-keeper, Sun Life Financial (“SLF”), fee schedules for investment management and administration services. In addition, in accordance with policies adopted for the pension plan and as described in your pension booklet, the Pension Advisory Committee assesses a governance administration fee (currently 0.05% per annum) on amounts invested in pooled funds. The following table shows estimates of all these annual fees as a percentage of your investments in these funds. These calculations were done as at March 31, 2008. As noted later, some of these fees change on monthly basis depending upon total plan asset and the expenses incurred in operating the pooled funds.

In the first section of the table, we show the estimated fees which are actually deducted from your account on a monthly basis. The middle section shows the expenses incurred by SLF and the investment managers in establishing the pooled fund for all investors.

Schedule of Estimated Annual Fees by Fund

| Manager (Fund) | Annual Rate of Investment Management Fees | Annual SLF Administration Fee | Governance Administration Fee | GST | Charged to your account | Manager | | | Estimated Total of all Fees |
|---|---|-------------------------------|-------------------------------|--------|-------------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|
| | | | | | | SLF Fund Operating Expenses | Fund Operating Expenses | Charged to Underlying Fund | |
| McLean Budden (Money Market Fund) | 0.200% | 0.080% | 0.050% | 0.017% | 0.347% | 0.032% | 0.018% | 0.050% | 0.396% |
| McLean Budden (Fixed Income Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.042% | 0.013% | 0.055% | 0.480% |
| McLean Budden (LifePlan Income Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.053% | 0.208% | 0.261% | 0.685% |
| McLean Budden (LifePlan Growth & Income Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.053% | 0.056% | 0.109% | 0.533% |
| McLean Budden (Balanced Value Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.037% | 0.019% | 0.056% | 0.480% |
| McLean Budden (LifePlan Growth Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.053% | 0.129% | 0.182% | 0.607% |
| McLean Budden (Canadian Equity Value Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.032% | 0.001% | 0.033% | 0.458% |
| McLean Budden (Canadian Equity Growth Fund) | 0.274% | 0.080% | 0.050% | 0.020% | 0.425% | 0.032% | 0.013% | 0.045% | 0.469% |
| BGI (EAFE Equity Index Fund) | 0.128% | 0.080% | 0.050% | 0.013% | 0.271% | 0.053% | 0.050% | 0.102% | 0.373% |
| BGI (US Equity - Registered - Index Fund) | 0.128% | 0.080% | 0.050% | 0.013% | 0.271% | 0.053% | 0.009% | 0.061% | 0.332% |
| TIAA CREF (Transition Fund) | * see notes * | 0.120% | 0.050% | 0.009% | 0.179% | 0.000% | 0.560% | 0.560% | 0.739% |

Reviewing your Investment Performance

When you review the investment returns reported by SLF, you should note that those returns do not reflect investment and administration fees charged to your account but they are net of the fund operating expenses incurred in maintaining the pooled funds. This is a standard method for reporting “gross” returns of institutional pooled funds.

Example: Suppose you had \$100,000 invested in the McLean Budden Fixed Income Fund on January 1, 2008 and the fund has a “gross” return of 5% in 2008. Over the course of the year your \$100,000 would grow with this investment return, but fees would be deducted from your account for investment management and administration. The returns for the year before fees would total roughly \$5,000. Assuming the returns are earned uniformly throughout the year, the total fees deducted from your account would be approximately $0.425\% \times (\$100,000 + 50\% \times \$5,000) = \$435$. Your \$100,000 investment would be worth roughly $\$100,000 + \$5,000 - \$435 = \$104,565$ by the end of the year. Note that the fund operating expenses do not enter into this calculation since the 5% is reported net of those expenses.

Other Notes about Fees

- Investment management fees for McLean Budden funds (other than the money market fund, *i.e.* those highlighted in blue) and the BGI funds (highlighted in orange) in the above table vary each month according to the actual total assets in these funds in the Pension Plan;
- The SLF and manager fund operating expenses (highlighted in yellow) in the above table vary each month according to the expenses incurred in operating the pooled funds;
- You can review the actual fees deducted from your account on your quarterly member statements or by reviewing your account online at www.sunlife.ca/member/ . You can also get current fund operating expenses information by using your online account.
- The investment management fees for the TIAA-CREF Transition Fund (invested in the CREF Stock Account) are included in the Manager fund operating expenses and vary monthly. Current information on these expenses can be obtained by visiting TIAA-CREF’s web-site using the following link: <http://www.tiaa-cref.org/performance/retirement/profiles/1001.html>