

July 29, 2010

Board of Trustees
Michigan BAC Pension Plan
Lansing, Michigan

Re: 2010 Actuarial Certification Under the Pension Protection Act

Dear Trustee:

The following information is intended to comply with the annual certification requirements of IRC section 432 and the Solvency Test of IRC Section 431(b)(8)(C) as added by the Pension Relief Act of 2010, with respect to the funded status of the Michigan BAC Pension Plan.

Identifying Information

Plan Name: Michigan BAC Pension Plan
EIN/Plan #: 38-2895943/001
Plan year of Certification: year beginning May 1, 2010
Plan Sponsor: Trustees of Michigan BAC Pension Plan
Sponsor Address: 6525 Centurion Drive, Lansing, Michigan, 48917-9275
Sponsor Telephone: (517) 321-7502
Enrolled Actuary Name: Paul Bullock
Enrollment Number: 2008-05770
Actuary Address: 11590 N. Meridian St., Suite 610, Carmel, IN 46032
Actuary Telephone: (317) 580-8652

Certification of Plan Status

I certify that the above-named Plan is in Critical status as of May 1, 2010. This result is based on a funded ratio of 82.8%, projected funding deficiencies beginning April 30, 2018, at least 8 years of benefit payments within plan assets, and other results.

This certification is intended to be in good faith compliance with the necessary disclosures for certification and represents my best estimate of the Plan's funded position.

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Board of Trustees

-2-

July 29, 2010

Certification of the Solvency Test

I certify that the above-named Plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the entire period during which the Plan will benefit from the Pension Relief Act of 2010 (the "amortization period"). Therefore, I conclude that the Plan has passed the Solvency Test.

This certification is intended to be in good faith compliance with the necessary disclosures for certification and represents my best estimate of the Solvency Test of IRC Section 431(b)(8)(C) as added by the Pension Relief Act of 2010.

Assumptions

The certifications utilize the assumptions, methods, plan provisions and demographic data as disclosed in the May 1, 2009 actuarial valuation report with the following exceptions:

- Based on the April 30, 2010 unaudited financial statements provided by the plan administrator, the asset return for the 2009-10 plan year is assumed to be 21.34%. We also updated the contributions, hours, benefit payments, and expenses for the 2009-10 plan year based on these financial statements.
- Early retirement benefits for Inactive Vested Participants will be reduced from age sixty-five (65), the Pension Plan's Normal Retirement Age, instead of being reduced from age sixty-three (63) effective October 1, 2009.
- Eliminate benefit accruals for 2 years (October 1, 2009 through September 30, 2011).
- Effective October 1, 2011, the Future Service Benefit Credit Accrual rate will be 1.0% of required employer contributions.
- The Trustees have elected the alternate amortization of market value losses occurring in the plan year ended in 2009 pursuant to IRC Section 431(b)(8)(A) as added by the Pension Relief Act of 2010 and the plan satisfies the Solvency Test of IRC Section 431(b)(8)(C). Such election has been recognized in this certification.
- The Trustees have elected an expanded smoothing period of 10 years with respect to market value losses occurring in the plan year ended in 2009 pursuant to IRC Section 431(b)(8)(B)(i)(I) as added by the Pension Relief Act of 2010 and the plan satisfies the Solvency Test of IRC Section 431(b)(8)(C). Such election has been recognized in this certification.

United Actuarial Services, Inc.

Actuaries and Consultants

Board of Trustees

-3-

July 29, 2010

- The Trustees have elected to increase the upper limit applicable to actuarial value of assets from 120% to 130% of the market value of assets for the plan years beginning in 2009 and 2010 pursuant to IRC Section 431(b)(8)(B)(i)(II) as added by the Pension Relief Act of 2010 and the plan satisfies the Solvency Test of IRC Section 431(b)(8)(C). Such election has been recognized in this certification.
- The non-credited contribution rate increases of 55¢ and 49¢ were recognized as of January 1, 2009 and October 1, 2009.
- Adjustments were made to the future hours assumed due to industry activity. Future hours were lowered from 1,112,150 to 800,000 for the 2010-2011 and 2011-2012 plan years, to 900,000 for the 2012-2013 plan year and to 1,000,000 for each plan year thereafter.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We will have a full update of the Plan's funded position with the next valuation report.

Sincerely,



Paul Bullock, ASA, EA, MAAA

Vice President

EA number: 2008-05770

Date of Signature: _____

7/29/2010

cc: Secretary of the Treasury