

NBTPP At-A-Glance

WHAT IS THE NEW BRUNSWICK TEACHERS' PENSION PLAN?

The primary purpose of the New Brunswick Teachers' Pension Plan (the "NBTPP") is to provide secure pensions to teachers upon retirement and until death (including subsequent benefits to their spouse and eligible dependents, as applicable) in respect of their service as teachers.

The NBTPP does not provide an absolute guarantee to teachers; however, because of the focused approach on ensuring the security of benefits and the establishment of a Reserve Fund, there is a high degree of certainty that base benefits will be payable in the vast majority of potential future economic scenarios.

As a Plan that focuses on providing secure benefits, all future cost-of-living adjustments for current and future retirees will be applied in accordance with the Funding Policy. Other Ancillary Benefits under the NBTPP will be provided as outlined in the NBTPP Plan Text and to the extent that funds are available for such benefits, as determined by the Board of Trustees in accordance with applicable laws and the Funding Policy.

By design, the NBTPP is expected to be in a position to provide cost-of-living adjustments (i.e., indexing) on the basis of 100% of the increase in the Consumer Price Index (CPI) on pension benefits to active members, and on the basis of 75% of the increase in the CPI on pension benefits to retired members and deferred members (maximum CPI of 4.75% per year).

NEW BRUNSWICK Teachers' PENSION PLAN

Base Benefit – means the amount of pension paid or payable to a member at any given time.

Ancillary Benefits – means benefits that are in addition to the Base Benefit, such as cost-of-living adjustments.

WHAT ARE THE CONTRIBUTION RATES?

Effective Date	MEMBER		EMPLOYER	
	Below YMPE	Above YMPE	Below YMPE	Above YMPE
July 1, 2024*	10.0%	11.7%	10.0%	11.7%
July 1, 2029	9.25%	10.95%	9.25%	10.95%

Member and employer contribution rates listed above may temporarily increase or decrease as outlined in the NBTPP's Funding Policy. YMPE for 2026 = \$74,600

* Effective August 31, 2025, these member and employer contribution rates were decreased by the Board of Trustees by 1.5% (i.e., 8.5% below YMPE and 10.2% above YMPE), in accordance with the NBTPP's Funding Policy.

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WHEN DO I BECOME ELIGIBLE TO RECEIVE A BENEFIT UNDER THE PLAN?

You are eligible to receive a benefit under the NBTPP upon the completion of the earlier of:

<p>TWO YEARS OF PENSIONABLE SERVICE</p> <p>in the NBTPP (includes pensionable service under the repealed <i>Teachers' Pension Act Plan</i>)</p>	<p>TWO YEARS OF MEMBERSHIP</p> <p>in the NBTPP (includes membership in the repealed <i>Teachers' Pension Act Plan</i>)</p>	<p>FIVE YEARS OF CONTINUOUS EMPLOYMENT</p>
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AT WHAT POINT CAN I RETIRE?

There are various provisions under the NBTPP that may allow you to retire with either a reduced or unreduced pension (depending on your circumstances). An Early Retirement Reduction will be applied to the portion of your pension that falls under a reduced pension scenario. For details regarding how the pension would be calculated, please refer to the ***“How is my pension calculated?”*** sections of this document.

SCENARIO	FOR SERVICE EARNED PRIOR TO JULY 1, 2014	FOR SERVICE EARNED ON OR AFTER JULY 1, 2014
35 years of Pensionable Service	Unreduced Pension	Unreduced Pension
Age+Service Index* <i>*Not available to deferred members</i>	<p><u>Earliest Unreduced Pension</u> Age+Service Index equal to at least 87</p> <p><u>Earliest Reduced Pension</u> Age+Service Index equal to at least 80</p>	<p><u>Earliest Unreduced Pension</u> Age+Service Index equal to at least 91</p> <p><u>Earliest Reduced Pension</u> Age+Service Index equal to at least 84**</p> <p><i>**Or Age+Service equal to at least 80 if teacher joined NBTPP prior to July 1, 2014.</i></p>
20 or more years of Pensionable Service	<p>Earliest Unreduced Pension – Age 60</p> <p>Earliest Reduced Pension – Age 55</p>	<p>Earliest Unreduced Pension – Age 62</p> <p>Earliest Reduced Pension – Age 55</p>
Less than 20 years of Pensionable Service	<p>Earliest Unreduced Pension – Age 65</p> <p>Earliest Reduced Pension – Age 55</p>	<p>Earliest Unreduced Pension – Age 65</p> <p>Earliest Reduced Pension – Age 55</p>

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HOW IS MY PENSION CALCULATED? (pension payable prior to age 65)

Once you become eligible to receive a benefit under the Plan as detailed in the “*At what point can I retire?*” section, you may elect an early retirement benefit payable as early as age 55. An early retirement pension under the NBTPP is the sum of the following:

For all pensionable service before July 1, 2014:	2.0% of the Best Five-Year Average Salary up to June 30, 2014 MULTIPLIED BY Pensionable Service up to June 30, 2014 MINUS Early Retirement Reduction (if applicable)
For each year (or part year) of pensionable service on or after July 1, 2014:	2.0% of Annualized Earnings for the year MULTIPLIED BY % of Full-Time Equivalent (FTE) worked MINUS Early Retirement Reduction (if applicable)
For all pensionable service:	Indexing increases granted in accordance with the NBTPP’s Funding Policy will be applied.

HOW IS MY PENSION CALCULATED? (pension payable after age 65)

At age 65, your NBTPP pension is integrated with the Canada Pension Plan (CPP). A pension under the NBTPP (payable after age 65) is the sum of the following:

For all pensionable service before July 1, 2014:	1.3% of the Best Five-Year Average Salary up to the Three-Year YMPE Average* (up to June 30, 2014) PLUS 2.0% of the Best Five-Year Average Salary in excess of the Three-Year YMPE Average*, if any (up to June 30, 2014) MULTIPLIED BY Pensionable Service up to June 30, 2014 MINUS Early Retirement Reduction (if applicable)
For each year (or part year) of pensionable service on or after July 1, 2014:	1.3% of Annualized Earnings up to the YMPE** for the year PLUS 2.0% of Annualized Earnings in excess of YMPE** for the year, if any MULTIPLIED BY % of Full-Time Equivalent (FTE) worked MINUS Early Retirement Reduction (if applicable)
For all pensionable service:	Indexing increases granted in accordance with the NBTPP’s Funding Policy will be applied.

* Three-Year YMPE Average for 2014 = \$51,233

** YMPE for 2026 = \$74,600

Note: A member must start receiving their pension by the end of the year in which they turn age 71 (Income Tax Act requirement).

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WHAT IS THE EARLY RETIREMENT REDUCTION?

Depending on your age and the amount of service you have upon termination of employment, the following permanent early retirement reduction may be applied to your pension at retirement. Please note that the rule that provides the lowest reduction is what is used when calculating the pension amount.

RULE	FOR SERVICE EARNED PRIOR TO JULY 1, 2014	FOR SERVICE EARNED ON OR AFTER JULY 1, 2014																																												
<p>Age+Service Index*</p> <p><i>* Not available to deferred members</i></p>	<p>2.5% reduction for each Index Year that Age+Service (ASI) is less than 87</p> <p>The following table demonstrates the reduction that would be applied to a pension calculation at retirement:</p> <table border="1" data-bbox="574 611 935 961"> <thead> <tr> <th>ASI</th> <th>Reduction</th> </tr> </thead> <tbody> <tr><td>80</td><td>17.5%</td></tr> <tr><td>81</td><td>15.0%</td></tr> <tr><td>82</td><td>12.5%</td></tr> <tr><td>83</td><td>10.0%</td></tr> <tr><td>84</td><td>7.5%</td></tr> <tr><td>85</td><td>5.0%</td></tr> <tr><td>86</td><td>2.5%</td></tr> <tr><td>87</td><td>0%</td></tr> </tbody> </table>	ASI	Reduction	80	17.5%	81	15.0%	82	12.5%	83	10.0%	84	7.5%	85	5.0%	86	2.5%	87	0%	<p>2.5% reduction for each Index Year that Age+Service (ASI) is less than 91</p> <p>The following table demonstrates the reduction that would be applied to a pension calculation at retirement:</p> <table border="1" data-bbox="1055 611 1416 1119"> <thead> <tr> <th>ASI</th> <th>Reduction</th> </tr> </thead> <tbody> <tr><td>80**</td><td>27.5%**</td></tr> <tr><td>81**</td><td>25.0%**</td></tr> <tr><td>82**</td><td>22.5%**</td></tr> <tr><td>83**</td><td>20.0%**</td></tr> <tr><td>84</td><td>17.5%</td></tr> <tr><td>85</td><td>15.0%</td></tr> <tr><td>86</td><td>12.5%</td></tr> <tr><td>87</td><td>10.0%</td></tr> <tr><td>88</td><td>7.5%</td></tr> <tr><td>89</td><td>5.0%</td></tr> <tr><td>90</td><td>2.5%</td></tr> <tr><td>91</td><td>0%</td></tr> </tbody> </table> <p><i>**Only available to teachers who joined the NBTPP prior to July 1, 2014.</i></p>	ASI	Reduction	80**	27.5%**	81**	25.0%**	82**	22.5%**	83**	20.0%**	84	17.5%	85	15.0%	86	12.5%	87	10.0%	88	7.5%	89	5.0%	90	2.5%	91	0%
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WHAT IS THE EARLY RETIREMENT REDUCTION? (continued)

RULE	FOR SERVICE EARNED PRIOR TO JULY 1, 2014	FOR SERVICE EARNED ON OR AFTER JULY 1, 2014																								
<p>Less than 20 years of Pensionable Service</p>	<p>5.0% reduction per year prior to age 65 (as early as age 55)</p> <p>The following table demonstrates the reduction that would be applied to a pension calculation at:</p> <table border="1" data-bbox="641 422 1094 995"> <thead> <tr> <th>Age</th> <th>Reduction</th> </tr> </thead> <tbody> <tr><td>55</td><td>50%</td></tr> <tr><td>56</td><td>45%</td></tr> <tr><td>57</td><td>40%</td></tr> <tr><td>58</td><td>35%</td></tr> <tr><td>59</td><td>30%</td></tr> <tr><td>60</td><td>25%</td></tr> <tr><td>61</td><td>20%</td></tr> <tr><td>62</td><td>15%</td></tr> <tr><td>63</td><td>10%</td></tr> <tr><td>64</td><td>5%</td></tr> <tr><td>65</td><td>0%</td></tr> </tbody> </table>		Age	Reduction	55	50%	56	45%	57	40%	58	35%	59	30%	60	25%	61	20%	62	15%	63	10%	64	5%	65	0%
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ARE MY PENSION BENEFITS ADJUSTED FOR COST OF LIVING INCREASES?

The pension benefits for **active members** will be adjusted each year by indexing of **100%** of the increase in the average Consumer Price Index (CPI) for the twelve-month period ending June 30 compared to the same period the preceding year (subject to the funding status of the Plan to a maximum CPI of 4.75% per year).

The pension benefits for **deferred members** and **retired members (including any surviving spouses or dependent children receiving a pension benefit under the NBTPP)** will be adjusted each year by indexing of **75%** of the **increase awarded to active members** (subject to the funding status of the Plan to a maximum CPI of 3.56% per year).

ARE THERE DIFFERENT FORMS OF PENSION THAT I CAN CHOOSE FROM?

There are various forms of pension that you can select at retirement, depending on your personal circumstances. Each optional form of pension available provides a monthly pension benefit amount that is slightly different. The various forms of pension are described below:

Joint and Survivor Pension 50% Benefit Payable (Normal Form of Pension)	Payments are made to you for your lifetime. If you predecease your spouse, payments will continue to your spouse at death for your spouse's lifetime at a level equal to 50% of your pension payable at age 65 (amount includes all applicable IAB awarded up to date, to the date of death, and <u>before</u> application of any early retirement reductions).
Joint and Survivor Pension 60%, 66 2/3%, 75%, or 100% Benefit Payable	Payments are made to you for your lifetime. If you predecease your spouse, payments will continue to your spouse (being the same spouse you had at retirement) for your spouse's lifetime at a level equal to 60%, 66 2/3%, 75%, or 100% of your pension payable at age 65 (amount includes all applicable IAB awarded up to date of death, and <u>after</u> application of any early retirement reductions). <u>This option is only available if you have a spouse at your date of retirement.</u>

Each option above also provides that, as a minimum, payments from the Plan equivalent to at least your contributions with interest at the time of your retirement will be paid. Furthermore, the Joint and Survivor Pension – 50% Benefit option above will also include payments to your dependent children (as defined in the Plan Text) in cases where you do not or no longer have a spouse at the time of your death, or following the death of both you and your spouse.

The use of the word “spouse” throughout also includes “common-law partner”, each as defined in the Plan documents.



Please note that a “Declaration of Marital Status” form will need to be completed when selecting the desired form of pension.

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WHAT HAPPENS IF I TERMINATE EMPLOYMENT BEFORE RETIREMENT?

You are eligible for the following options upon leaving your employment before retirement:

<p>Termination of employment with:</p> <ul style="list-style-type: none"> • Less than two years of pensionable service in the NBTPP (including pensionable service in the repealed TPA Plan) <p>and</p> <ul style="list-style-type: none"> • Less than two years of membership in the NBTPP (including membership in the repealed TPA Plan) <p>and</p> <ul style="list-style-type: none"> • Less than five years of continuous employment 	<p>You will receive a refund of your employee contributions with accumulated interest.</p>
<p>Termination of employment with:</p> <ul style="list-style-type: none"> • Two or more years of pensionable service in the NBTPP (including pensionable service in the repealed TPA Plan) <p>or</p> <ul style="list-style-type: none"> • Two or more years of membership in the NBTPP (including membership in the repealed TPA Plan) <p>or</p> <ul style="list-style-type: none"> • Five or more years of continuous employment 	<p>If you are not yet eligible to retire (prior to age 55 or attaining age service index of 80/84):</p> <ul style="list-style-type: none"> • Defer commencement of your pension benefit until the date you are eligible to receive a reduced or unreduced pension, or at any date in between, but no later than age 65 <p>or</p> <ul style="list-style-type: none"> • Transfer your Termination Value (in accordance with the PBA and the TPPA) in a lump sum to: <ul style="list-style-type: none"> » A locked-in retirement account (LIRA) » A life income fund » Your new employer’s pension plan (if such plan allows it) <p>Election to transfer your Termination Value must be made within 90 days of receiving your options, otherwise you are only entitled to receive a reduced or unreduced pension.</p>
	<p>If you are eligible to retire (have reached age 55 or attained age service index of 80/84), you may either:</p> <ul style="list-style-type: none"> • Elect an immediate pension benefit • Defer commencement of your pension benefit to a later date, but no later than age 65

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WHAT BENEFITS ARE PAYABLE UPON MY DEATH?

...death during retirement?	The benefit paid will be determined based on the form of pension that you elect at the time of your retirement (refer to <i>“Are there different forms of pension that I can choose from?”</i> section for additional information).
...death prior to retirement?	<ul style="list-style-type: none">• With less than two years of pensionable service in the NBTPP (including pensionable service in the repealed TPA Plan); less than two years of membership in the NBTPP (including membership in the repealed TPA Plan); <u>and</u> less than five years of continuous employment:<ul style="list-style-type: none">» Your surviving spouse (or your estate if there is no spouse) will receive a refund of your employee contributions with accumulated interest.• With two or more years of pensionable service in the NBTPP (including pensionable service in the repealed TPA Plan); two or more years of membership in the NBTPP (including membership in the repealed TPA Plan); <u>or</u> five or more years of continuous employment:<ul style="list-style-type: none">» If you have a surviving spouse or dependent children*, your spouse will begin receiving, in the month following your death, a monthly pension benefit of 50% of the pension payable at age 65 (before application of early retirement reductions) until their death (if no spouse, or, at the time of the death of your spouse, there are any remaining dependent children*, they will be entitled to receive this monthly pension benefit until the time they no longer qualify as a dependent child*).» If you do not have a surviving spouse or dependent children*, your estate will receive a refund of your employee contributions with accumulated interest.

**Dependent Child (Dependent Children) means a child (or children) of a member who is dependent on the member and who is:*

- *Under the age of 19 in the calendar year,*
- *Under the age of 25 in the calendar year and is in full-time attendance at an educational institution, or*
- *Dependent on the member by reason of mental or physical infirmity.*



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