

APPENDIX "G"

PROVINCE OF NEW BRUNSWICK
TEACHERS' PENSION PLAN BOARD OF TRUSTEES

1. ELIGIBILITY

- (a) For the purposes of section 3(a)(i) of the Agreement, the date specified is January 1, 1952.
- (b) For the purposes of section 3(a)(ii)(B) of the Agreement, Inactive Members of the New Brunswick Teachers' Pension Plan are not eligible.

2. ACTUARIAL COST METHOD AND ASSUMPTIONS

(a) Actuarial Cost Method	Unit credit
(with Present Value of Benefits adjusted by the Funded Ratio as outlined below, and further including a minimum of deemed contributions)	
(b) Annual real rate of return	3.62%
(c) Annual inflation rate	2.10%
a. Pre-retirement indexing	100% of inflation*
b. Post-retirement indexing	75% of inflation*
(d) Annual interest rate	5.80%
(e) Annual YMPE increase rate	N/A
(f) Annual salary increase	N/A
(g) Annual increase in Tax Act maximum	N/A
(h) Mortality	CPM-RPP 2014 Public generational mortality using improvement scale CPM-B with adjustment factor of 0.9 for males and 0.9 for females; (Unisex basis of 25% male / 75% female)
(i) Withdrawal rate	None
(j) Disability rate	None
(k) Retirement age	20% assumed to retire when age plus credited service equals 81, 40% when age plus credited service equals 89 and 40% when age plus credited service equals 91 but not later than age 62
(l) Seniority salary scale	N/A
(m) Proportion with spouse at retirement	77.5% of members

- (n) Age of spouse **Spouse is 1.0 years older than the member**
- (o) Funded Ratio Applied to Present Value of Benefits:
 - a. When NBTPP is the Exporting Plan: **Termination Value Funded Ratio as at last filed actuarial valuation report or cost certificate (At 108.9% as at May 7, 2020)**
 - b. When NBTPP is the Importing Plan: **Termination Value Funded Ratio as at last filed actuarial valuation report or cost certificate if greater than 100%, otherwise 100% (At 108.9% as at May 7, 2020)**

* Inflation is adjusted down by 0.10% for purposes of indexing to take into account the impact of the 4.75% cap applied under the Plan for indexing purposes.

3. SPECIFIED TERMS AND CONDITIONS OF THE PLAN

- 1) The New Brunswick Teachers' Pension Plan as the Exporting Plan will allow transfers only if the Importing Plan can certify that the transferred funds will remain locked-in.
- 2) Contrary to paragraph 7(a)(i)(A) of the Agreement, the amount available for the New Brunswick Teachers' Pension Plan as the Exporting Plan under this paragraph shall be equal to the actuarial value of benefits to be credited to the person in accordance with the terms and conditions of the Exporting Plan on the Date of Application.