

APPENDIX "N"

CANADIAN TEACHERS' FEDERATION EMPLOYEES' PENSION PLAN

1. ELIGIBILITY

- (a) For the purposes of section 3(a)(i) of the Agreement, the date specified is January 1, 1966.
- (b) For the purposes of section 3(a)(ii)(B) of the Agreement, Inactive Members of the Canadian Teachers' Federation Employees' Pension Plan are eligible.

2. ACTUARIAL COST METHOD AND ASSUMPTIONS

2.1 Actuarial Cost Method

- (a) Projected unit credit pro-rated over service to the earlier of the date of decrement or date of maximum credit service.
- (b) Gender neutral based on 80% of the liability determined assuming the member is female plus 20% of the liability determined assuming the member is a male.

2.2 Actuarial Assumption

- (a) Annual interest rate
 - (i) Non-indexed rate rate as per section 7(c)(i)(B) of the agreement
 - (ii) Indexed rate rate as per section 7(c)(i)(B) of the agreement
- (b) Annual inflation rate determined as
[1+item 2(a)(i)]/[1+item 2(a)(ii)]-1
- (c) Annual real rate of return equal to item 2(a)(ii)
- (d) Annual YMPE increase annual inflation rate +1%
- (e) Senior salary scale $\frac{1}{4}\%$
- (f) Annual salary increase annual inflation rate + $1\frac{1}{4}\%$
- (g) Increase in Tax Act maximum annual inflation rate +1%
starting from January 1, 2005
- (h) Mortality
 - (i) Pre-Retirement GAM83 mortality table, as published on pages
880 and 881 of Volume XXXV of the
Transactions of the Society of Actuaries
 - (ii) Post-Retirement equal to item 2(h)(i)

(i) Termination rates

(i) Male: Wyatt scale 155

<u>Age</u>	<u>Rate</u>
20	.075
25	.050
30	.035
35	.025
40	.015
45	.010
50	.005
55	.000

(ii) Female: Wyatt scale 155

<u>Age</u>	<u>Rate</u>
20	.125
25	.075
30	.050
35	.035
40	.025
45	.015
50	.010
55	.000

(j) Disability rate

None

(k) Retirement age (last birthday)

(i) Minimum

50 years

(ii) Maximum

65 years

(l) Retirement rates

<u>Age</u>	<u>Rate</u>
50-54	.025
55-59	.050
60-64	.500
≥ 65	1.000

(m) Spousal rates

(i) Proportion with an eligible spouse at retirement

90%

(ii) Gender of spouse

opposite sex of member

(iii) Age of spouse

male age minus female age equals 3 years