

APPENDIX "O"

PROVINCE OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF FINANCE

1. ELIGIBILITY

- (a) For the purposes of section 3(a)(i) of the Agreement, the date specified is March 1, 1950.
- (b) For the purposes of section 3(a)(ii)(B) of the Agreement, Inactive Members of the Newfoundland and Labrador Teachers' Pension Plan are eligible.

2. ACTUARIAL COST METHOD AND ASSUMPTIONS

(a) Actuarial Cost Method	Projected unit credit
(b) Annual real rate of return	4.37%
(c) Annual inflation rate	3.00%
(d) Annual interest rate	7.50%
(e) Annual YMPE increase rate	3.75%
(f) Annual salary increase	3.75% plus seniority scale
(g) Annual increase in Tax Act maximum	3.75%
(h) Mortality	
(i) Pre-Retirement	None
(ii) Post-Retirement	1994 uninsured Pensioner Mortality Table projected for all years from the base table using Projection Scale AA; gender Distinct
(i) Withdrawal rate	None
(j) Disability rate	None
(k) Retirement age	100% at the earliest age eligible for an unreduced pension or Age at date of Application if eligible for an unreduced pension
(l) Seniority salary scale	3.50% per year over the first 10 years of a member's career; 1.00% per year over the next 4 years of a member's career (based on credit service)
(m) Family composition	85% of members are assumed to have an eligible spouse at retirement, with males 3 years older than their female spouses