

NORTHERN EMPLOYEE BENEFITS SERVICES (NEBS)

— PENSION PLAN FACT SHEET —

WHAT IS A PENSION PLAN?

A pension plan provides income to individuals when they retire.

WHY HAVE A PENSION PLAN?

There are 3 main sources of retirement income available to Canadians.

1. Government Plans — CPP, Old Age Security, Guaranteed Income Supplement
2. Employer sponsored Pension Plans
3. Personal savings, RRSPs

Government plans alone are not enough to finance a comfortable retirement for many people. Also, family obligations can make personal savings difficult. A pension plan can provide for the well-being of you and your family and provide retirement security.

WHAT IS THE NEBS PENSION PLAN?

The NEBS Pension Plan is a defined benefit plan. This means that your pension benefits are based on a formula and are guaranteed upon retirement. How much you receive depends upon your regular earnings and your years of pensionable service.

WHAT ARE THE DETAILS OF THE NEBS PLAN?

The NEBS plan is a Defined Benefit (DB) Plan.

- A guaranteed stream of retirement payments will be payable for life
- Benefits are based on your best average 6 years of earnings, and the number of years of pensionable service
- Annual indexation, based on the CPI
- Early retirement and unreduced early retirement options
- Portability to and from other NEBS participating employers
- Portability to and from public sector plans (PSSA, Federal Government, NWT Territorial & Nunavut Governments, OMERS). You continue to accrue pensionable service
- Surviving spouse benefits equal to 50% of spouse's pension, payable for life
- Eligible dependant children benefits
- Full time and part-time employees are eligible, based on minimum hours of work

HOW MUCH CAN I EXPECT FROM THIS PENSION?

An individual retiring at age 60 with 5 years service can expect to receive the following monthly pension:

EARNINGS	YEARS OF SERVICE		
	10	20	30
\$40,000.00	666.67	1,333.33	2,000.00
\$50,000.00	833.33	1,666.67	2,500.00
\$60,000.00	1,000.00	2,000.00	3,000.00

Benefit amounts increase as your wages and years of service increase.

HOW CAN I GET MORE INFORMATION?

Please feel free to contact Northern Employee Benefits Services at (867) 873-4965. We are located at #700, 5201—50th Avenue, Yellowknife, NT, X1A 3S9.