Pension Handbook

A guide for members of the Dalhousie University Staff Pension Plan

How to contact Retirement Services

Tel : **(902) 494-1782**
Fax: **(902) 494-1480**
E-mail: **pensions@dal.ca**
Website: **www.dal.ca/pension**

Mailing address:
People and Culture
Henry Hicks Building, Room 150
P.O. Box 15000
6283 Alumni Crescent
Halifax, NS B3H 4R2

This booklet contains only a summary description of the Dalhousie University Staff Pension Plan. The Plan text contains numerous provisions not summarized in this booklet which may apply to you. In the event of any conflict between this booklet and the Dalhousie University Staff Pension Plan text, the Plan text will govern.

2026-09-01/Version 1

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General Information

About the Dalhousie University Staff Pension Plan

Our Pension Plan is part of what makes Dalhousie an attractive place to work and allows you to be supported and more secure in your future retirement. It is an important part of your total compensation.

The Dalhousie University Staff Pension Plan came into effect in 1959 and has been amended from time to time. Its primary purpose is to provide pension benefits to its Members. The Board of Governors of the University, along with the Pension Advisory Committee, has made every effort to develop a pension plan which will provide effective lifetime security to employees of the University and their beneficiaries.

Defined Benefit Plan

Dalhousie provides a defined benefit plan to help you invest in your future.

This means two things: first, your retirement pension is based on a formula that takes into account your pensionable salary and pensionable service, and second, you must contribute a portion of your salary to help fund your future pension. Dalhousie University, as plan sponsor, is obligated to set funds aside regularly to pay for the pensions that you and other plan members will receive in retirement. An actuary periodically estimates the contribution requirements by making assumptions about future interest rates, salary levels, investment returns, life expectancy, and when members will retire, etc.

The Nova Scotia *Pension Benefits Act* establishes standards for minimum pension contributions and benefits. It ensures compliance by requiring the periodic filing of documents such as annual information returns and actuarial valuations with the Nova Scotia Pension Regulation Division.

Joining the Pension Plan

Eligibility requirements

You will be enrolled automatically if:

- You have a full-time position expected to continue for one year or longer.
- You move from a regular part-time position to a full-time position, and you were not previously in the pension plan.
- You have a regular part-time position after 5 years of continuous employment and were not enrolled in the plan when hired.

You have the **option to join** the plan if:

- You have a regular part-time position expected to continue for one year or longer.
- You do not have a regular position, part-time or full-time, but have two consecutive calendar years of employment with either:
  -earnings greater than 35% of the Years Maximum Pensionable Earnings "YMPE" for Canada Pension Plan purposes, or
  -at least 700 hours of employment.

Enrollment Date

Provided that you meet the pension plan eligibility requirements, you will be enrolled in the pension plan **on the first day of your first full month of employment**. For example, if your first day of employment is January 15, you will be enrolled in the plan effective February 1.

Transfers from former employer pension plans

The Dalhousie University employee pension plan may accept transfers of pensionable service credited under pension plans of former employers. Service may be credited under a Reciprocal Transfer Agreement that the University has entered into with another employer or under the Portability rules of the plan in respect of benefits with other employers not covered under a Reciprocal Transfer Agreement.

Reciprocal transfer agreements

The university currently has a transfer agreement with the Province of Nova Scotia Superannuation Plan. If you have enrolled in the Dalhousie Staff Pension Plan and have worked with the Province immediately prior to your Dalhousie employment, you may apply to receive a quote (certain restrictions may apply depending on the specific terms of the agreement). Please contact our office at pensions@dal.ca for an application form. You will be provided with a quote indicating the amount of service that may be credited under the Dalhousie plan should you choose to have pension benefits transferred from your prior employer.

Portability

If you have membership in a prior Canadian employer's registered pension plan you may be able to transfer these benefits to the Dalhousie pension plan. **You have one year from your date of enrollment in the pension plan to apply for a portability quote.** By completing the Portability Arrangement Application form [PDF] [login required], you will be provided with a quote indicating the amount of service that may be credited under the Dalhousie plan should you choose to have pension benefits transferred from your prior employer.

Reinstatement of prior Dalhousie pensionable service

If you are returning to the university and had transferred or received a refund of pension benefits from a prior period of service, you may be able to combine this service with your current benefits. **You have one year from your date of enrollment in the pension plan to apply for a reinstatement quote.** By completing a Purchase of Past Service application form [PDF] [login required], your prior employment history will be reviewed and if sufficient information is available, you will be provided with a quote indicating the amount of service that may be reinstated under the Dalhousie plan.

Contributions and Service

Required Contributions

Contributions to the Plan are based on your pensionable earnings (your regular salary not including bonuses and other forms of special remuneration such as shift premia, honoraria, administrative stipends and summer school stipends). Contributions to the Plan are based on the following:

Year's Average Maximum Pensionable Earnings (YAMPE) is a figure set by the federal government. The YAMPE changes every year, on January 1, to reflect increases in the average wage.

Member normal contributions:

- 4.65% of the first $5,000.00 of salary plus 6.15% of salary in excess of $5,000.00.

PLUS

Member supplemental contributions:

- 1.11% of salary up to the YAMPE plus 2.0% of salary in excess of YAMPE

Dalhousie University will contribute the balance, as recommended by the Actuary, required to guarantee the benefits provided by the Plan and additional amounts, if any, required under the Nova Scotia Pension Benefits Act. At a minimum, the University contributions will match your member normal contributions.

Pensionable Service

Your total pensionable service is made up of all the time for which you have made contributions to the pension plan, plus any purchases of service or reciprocal transfers you may have done while a member of the Plan. The maximum service credited for pension purposes is 35 years.

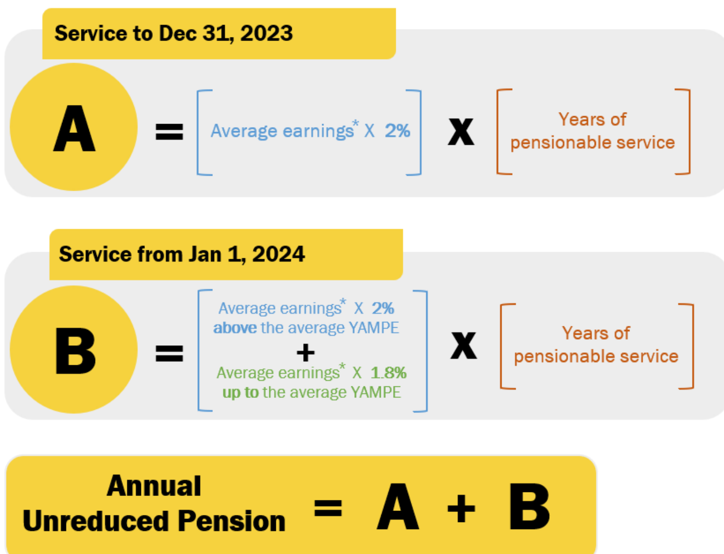
Credited service is also based on your Full-Time Equivalent work percentage. This means that if you work part-time, you earn partial credited service. For example, if someone works at 50% FTE for a full year, they would earn 6 months of credited service (12 months × 50%).

Pension Calculation

Calculating Your Pension At Normal Retirement (age 65)

The pension provided under this Plan is based on a formula that includes pensionable service, the average of the best three years of remuneration received by the member, and a multiplier.

Effective January 1, 2024, the pre-determined formula was adjusted for future service. This was intended to integrate the Dalhousie pension with recent changes (increases) to the Canada Pension Plan. The total pension a member will be entitled to receive at normal retirement is a combination of pension earned before and after January 1, 2024:



* Best 3 years

The formula above is for calculating the annual unreduced pension: Pension for service to December 31, 2023 (A) plus pension for service from January 1, 2024 (B). A is based on average earnings × 2% × years of pensionable service. B is based on earnings above average YAMPE × 2% plus earnings up to average YAMPE × 1.8%, multiplied by years of pensionable service.

Average earnings is the highest average annual salary taken from your best 3 years of earnings.

Year's Average Maximum Pensionable Earnings (YAMPE) is a figure set by the federal government. The YAMPE changes every year, on January 1, to reflect increases in the average wage. The YAMPE is $85,000 in 2026.

Example:

If you are age 65 at retirement at the end of 2026, your best three years' earnings averaged $60,000, the average YAMPE was $85,000, and you had 25 years in the Plan.

Service up to Dec 31, 2023:	22 x 2% x $60,000 =	$26,400
Service on and after Jan 1, 2024:	3 x 1.8% x $60,000 =	$3,240
Total Annual Pension:		**$29,640**

Using the same example, but with best 3 years' average earnings of $90,000 (above the YAMPE):

Service up to Dec 31, 2023:	22 x 2% x 90,000 =	$39,600
Service on and after Jan 1, 2024:	3 x (1.8% x 85,000) + (2% x 5,000) =	$4,890
Total Annual Pension:		**$44,490**

Normal Form of Pension

The basic pension described above would be payable based on the normal form of pension under the Dalhousie Staff University Pension Plan. The normal form of pension is as follows:

For service prior to June 30, 2004:

Single Members:	Life, guaranteed for 10 years
Married Members:	Joint and 66.67% survivor pension, guaranteed for 5 years

For service after June 30, 2004:

All Members:	Life, guaranteed for 7 years

Please note: You will be provided with a statement prior to retirement which provides you with a variety of pension payment options that are payable under the pension plan. These quotes will be equivalent in value to the "normal form" displayed above.

Income Tax Limits

Please note that there are certain Income Tax Act limits to the amount of pension that can be paid from a Registered Pension Plan. Credited service is limited to 35 years. There is also a limit on the amount of earnings that may be used in calculating your pension. For 2026 the maximum pensionable earnings is $205,111. This limit is indexed each calendar year.

Leaving Dalhousie

Your pension entitlements and options may vary depending on various factors including how long you worked at Dalhousie University and your age.

Reciprocal Transfer Agreements

Dalhousie has a reciprocal transfer agreement with the Province of Nova Scotia Superannuation Plan. Reciprocal transfer agreements allow for the **transfer of pensionable service credits** between Dalhousie University and the other institution subject to prescribed requirements. Please contact Nova Scotia Pension Services Corporation at info@nspension.ca for an application form and further information.

Termination Options

The following options are available to you on termination:

Transfer of Full Entitlement

- Your full entitlement is the greater of the commuted value of the pension you have earned to termination date, and the sum of contributions compounded (in general, two times your regular contributions).
- The maximum amount that you can transfer to your RRSP is prescribed by the *Income Tax Act* and is referred to as the maximum transfer limit.
- Any entitlement that **exceeds the maximum transfer limit would be required to be paid to you** in cash less the prescribed withholding tax.
- You may also be able to **transfer the value of your pension to a new employer's pension plan**, if that plan accepts. If you are interested in this, you should contact the pension administrator for the new employer.

Deferral of Pension

- If you are younger than age 55 when your employment with the university terminates, you may elect to commence a pension at any time between age 55 and your normal retirement date (June 30th following your 65th birthday). The pension will be based on the defined benefit you earned at termination date subject to any early retirement adjustments.
- If you are older than 55 and eligible for an immediate pension when your employment with the university terminates, and you elect a deferred pension, the value of your pension entitlement will be transferred to the Retirees' Trust Fund, where your ultimate pension entitlement may increase, if favorable rates of return in the Retirees' Trust Fund allow for it. In no event will the ultimate pension you receive exceed the maximum pension payable under the Income Tax Act. Under this option you must elect to commence your pension no later than December of the year you turn age 71.

Additional Voluntary Contributions (AVCs)

At termination date you are entitled to withdraw any AVCs that you may have in the Plan as a lump sum (less withholding for income tax) or transfer the amount to your RRSP. As an alternative, if you are deferring your pension, you may elect to leave your AVCs in the Plan to provide additional pension when you commence your pension payments.

Death Benefits

Tips to consider:

- Review your **designated pension plan beneficiaries** to ensure that they are up to date.
    - Make sure that you have appointed trustees for minor designated beneficiaries on your Pension Beneficiary Appointment Form [PDF].
- If you have a pension division due to a marriage breakdown, contact Retirement Services, at pensions@dal.ca to ensure your file has the required information to pay out any death benefits.
- **Provide contact information for Retirement Services** to your spouse, designated beneficiary, or executor so that they know how to contact our office in the event of your death.
- **Note:** In the event of an employee or former employee's death, a family member or executor should contact Retirement Services at pensions@dal.ca or 902-494-1782, to notify us of the death. Our office will require a copy of the funeral/death certificate, and we will then provide information on any pension benefits payable.

Pension benefits will be administered in accordance with the plan text and the Pensions Benefits Act and Regulations in effect at the time of death.

Pension Benefits During Active Employment

Upon death prior to retirement during active membership, a death benefit equal to no less than 100% of the commuted value of the member's pension is payable to the surviving spouse, or to the beneficiary or estate if there is no spouse.

Note: In Nova Scotia, spouses have eligibility for death benefits above any appointed beneficiary as per pension regulations.

Pension Benefits After Retirement

For pensioners, any death benefits would be paid in accordance with the form of pension elected upon retirement.

Pension Beneficiary

You may add or update your beneficiaries in the pension plan at any time by completing a Pension Beneficiary Appointment Form [PDF]. **Please provide an original signed beneficiary form to Retirement Services**. You can mail the form to Retirement Services or drop it off at People and Culture, Room 150, Henry Hicks Academic Administration Building, 6283 Alumni Crescent, Halifax, Nova Scotia, B3H 4R2.

Purchasing Prior Service

Prior Dalhousie service not previously pensionable

If you are a member of the Dalhousie plan and have service that was not considered pensionable previously, you can submit a completed Purchase of Past Service Application [PDF] [login required] to have the service reviewed. If service is deemed eligible for purchase, a quote to purchase the service will be provided. You can review our Purchase of Past Service Information [login required] for information on eligible periods of service that may be purchased.

Key Points

- **Purchasing Past Service**: Increases your pensionable service and may increase your total pension amount.

- **Eligibility:** Must be an active member and complete the purchase before your contractual date for notice of termination or retirement.

- **Requesting a Quote:** Submit a *Purchase of Past Service Application* form to Retirement Services for a cost estimate, valid for six months. Applying for a quote does not obligate you to purchase.

- **Eligible Service for Purchase:** Waiting period during employment prior to joining the plan, short-term appointments, teaching assignments at another institution, leaves (maternity, parental, adoption, compassion), prior refunded pension service, education leaves, temporary/contract service, armed forces service, and grant-paid service. Unpaid personal leaves **are not** eligible.

- **Service Verification:** Retirement Services must verify any service that the member is electing to purchase. If verification cannot be made through the records on file with People and Culture, a purchase cannot be approved. Other supporting documentation which may be helpful, but which is not determinative, can be provided by the member to assist with the verification of their past service claim.

Cost Calculation

Cost Calculation is based on your salary at application date and the pension plan employee contribution rates. Contribution rates can be found in the *Contributions and Service* section of this guide. Different formulas apply depending on the type of service being purchased:

- **One Times:** Dalhousie covers the employer portion. Types of service purchased on a one times basis include the waiting period during employment prior to joining the pension plan, maternity, parental, adoption and compassion leave and temporary, causal or contract employee service.

- **Two Times:** You are required to contribute twice the amount of the contribution rate to purchase your eligible service in order to cover both the employee and employer portions. Types of service purchased on a two times basis includes sessional leaves, teaching assignment at another university or related research institution, service with armed forces/allied forces or grant-paid employee service.

- **Commuted Value:** For prior refunded pension service, cost is based on commuted value calculated by plan actuaries. The commuted value is lump sum present value of your pension entitlement.

Income Tax Considerations

- **Pre-1990 Service:** The maximum annual deduction for purchased service before January 1, 1990, is $3,500 if you were not in a registered pension plan. If you were in a registered pension plan, the deduction is $3,500 minus current year contributions, so only part of these contributions may be deductible in the current year. Excess contributions can be carried forward indefinitely, up to a lifetime maximum of $3,500 times the number of years purchased.

- **Post-1989 Service:** There is no deduction limit for service periods after 1989. Purchasing post-1989 service requires filing a Past Service Pension Adjustment (PSPA) with the Canada Revenue Agency (CRA), which reduces RRSP contribution room. Transfers from an RRSP to the pension plan reduce the PSPA. CRA certification of the PSPA is necessary for completing the past service purchase and providing additional benefits. To certify, the PSPA must not exceed available RRSP room plus $8,000 or complete a qualifying transfer. You are responsible for tax implications and ensuring sufficient RRSP room.

Payment Options

Payment Options include payroll deduction, RRSP transfer, or lump sum payment by personal cheque.

Note: All purchases of past service are subject to limits prescribed by CRA and the Income Tax Act.

Additional Voluntary Contributions

Additional Voluntary Contributions (AVCs) are available to assist you with saving for retirement. AVCs are an opportunity to contribute additional monies annually to the Dalhousie pension fund on a tax deferred basis, and the accumulated balance can be used to buy additional pension at retirement that is added to your regular monthly pension amount.

Note: Dalhousie Retirement Services staff do not provide financial or tax advice. You may wish to speak to a financial or tax advisor for assistance with financial and retirement planning.

The amount of Additional Voluntary Contributions (AVCs) that you can contribute annually is subject to the Pension Adjustment Limit. You do not have to contribute the maximum amount – you can choose something less if you wish. The contribution is usually deducted on a per-pay basis, and changes can be made during the year. You may continue to contribute to AVCs while you are an active member of the pension plan past age 65, but contributions must stop by the end of the year that you turn 71.

- AVCs are invested in the pension plan and are credited with interest based on the annual net investment return of the pension fund. The total amount available when you retire or terminate employment is the cumulative balance including any returns earned while invested. If you participate, your AVC balance will be reported on your annual pension statement.
- Retroactive AVCs are not permitted in the pension plan, they can only be remitted on a go-forward basis, for each year. The plan does not accept RRSP transfers for deposit as AVCs.
- AVCs are not matched by Dalhousie University. Unlike regular pension contribution, AVCs are made solely by you - the member.

Tax Implications

Additional Voluntary Contributions (AVCs) by payroll deduction are reported on your T4 slip as part of your RPP contributions and your pension adjustment (PA).

Your AVC by payroll deduction in the current year will reduce your subsequent annual RRSP contribution room. **Be aware of this if you are considering AVC contributions and are also contributing to RRSPs**. Note: You are responsible for ensuring that you do not overcontribute and are responsible for any tax implications with the Canada Revenue Agency.

Unpaid or Reduce Pay Leaves

If you go on unpaid or reduced pay leave (i.e. parental leave, sick leave, study leave, sabbaticals), your AVCs will be stopped immediately. AVCs are not allowed during these periods. You will need to contact our office when you return from your leave to start AVC payroll deductions again.

Leaving Employment

Additional Voluntary Contributions (AVCs) must stay in the Dalhousie plan until you leave employment and cannot be withdrawn prior to retirement or termination. When you terminate employment or retire, you can receive the funds as a taxable lump sum, transfer AVCs directly to a registered plan, such as an RRSP with a financial institution, or use the AVCs to purchase additional pension to add to your regular monthly pension amount.

Benefits Upon Retirement

If you have an AVC balance at retirement, the plan actuary will calculate how much pension your accumulated AVC could provide based on your age, your retirement date, your spouse's age, and valuation assumptions regarding rates and longevity expectations. If you choose to take a pension from the AVCs, it is added to your regular pension when you receive your monthly payment. We have a Retirement Guide available online to assist with retirement planning.

Retirement Eligibility

Normal retirement age – 65

The normal retirement date under the Dalhousie University Staff Pension Plan is:

- The July 1st following your 65th birthday.

Pension payments start the first of the month following the month you retire and are payable for your lifetime. See page 8 for information on how your pension is calculated. For example, if you retire on June 15th your pension payments will start on July 1st.

You are also eligible to retire with your full pension (i.e., not reduced for early retirement) on the first of any month following your attainment of age 65.

Early retirement age – 55+

You may retire with a reduced pension as early as the first of the month after you reach age 55. When retiring early, your pension is calculated using the basic pension formula and is then reduced by an adjustment factor for each year you are under exact age 65. The reduction will be prorated for partial years.

The adjustment factors are detailed in Table 1 below. Table 1 contains three columns:

- Column 1: Full years prior to exact age 65.
- Column 2: Adjustment factor applied to pensionable service up to and including June 30, 2004.
- Column 3: Adjustment factor applied to pensionable service after June 30, 2004.

Table 1. Years before 65 and Adjustment Factors to Consider before and after June 30, 2004

Full years prior to Exact age 65	Adjustment factor for service up to and including June 30th, 2004	Adjustment factor for service after June 30th, 2004
10 years	.76	.63
9 years	.80	.66
8 years	.84	.69
7 years	.88	.72
6 years	.92	.75
5 years	.95	.78
4 years	.98	.81
3 years	1.00	.85
2 years	1.00	.90
1 year	1.00	.95

See our Retirement Guide for information on the retirement process and options.

Spousal Relationship Changes

Spouse Definition

The definition of "spouse" for pension purposes:

A "spouse" means either of two persons who

(i) are married to each other,

(ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,

(iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, where they have ceased to cohabit, have cohabited within the twelve-month period immediately preceding the date of entitlement,

(iv) are domestic partners within the meaning of Section 52 of the Vital Statistics Act, or

(v) not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least

(A) three years, if either of them is married, or

(B) one year, if neither of them is married.

Division of pension on marriage breakdown

There may be impacts to your pension plan as a result of this life event. Please contact our Retirement Services team at pensions@dal.ca for important information on marriage breakdowns.

Our office is required, by pension legislation, to confirm whether any portion of a Dalhousie pension is subject to division before we can proceed with processing pension benefits upon termination or retirement.

The Guide to Understanding the Division of Pensions and Pension Benefits for Separating Spouses [*Province of Nova Scotia*] provides information on the processes involved in dividing a pension benefit. The 4th page of this document provides a flow chart illustrating the steps involved and the choices that may be available.

If you are dividing your Dalhousie pension, a **Court Order** or **Separation Agreement** must be provided to Dalhousie Pension Administration. Your agreement must indicate the following:

- Include a clause providing for the division of the pension
- Specify the date of division (i.e., entitlement date)
- Identify the date of marriage
- Identify the percentage (1-50%) of the pension to be divided during the period of marriage.

If you are not dividing your Dalhousie pension, a **Court Order** or **Separation Agreement** indicating this should be provided to Dalhousie Pension Administration to remove your former spouse from entitlement. Your former spouse and you may also complete Form 19 - Joint Confirmation of No Division of Pension Entitlement [*Province of Nova Scotia*] to confirm that there is no pension division and submit it to pensions@dal.ca.

Reporting

Annual Pension statements

The pension plan year is July 1 to June 30. **Annual statements** are available for active members each December and show personal pension information effective June 30th of that year. You can reference your future annual statements on the pension website. Some helpful information that is provided on annual statements includes your credited service, pension plan contributions, spouse, designated beneficiaries, and estimated annual retirement income. You can access the pension website through your Dal Online account. If you have any issues with logging in, please contact pensions@dal.ca.

Income tax

Your contributions to the pension plan are tax-deductible. A Pension Adjustment (PA) will be reported on your T4 to report the value of benefits provided to you under the pension plan each year. The PA will reduce the amount that you may contribute to a Registered Retirement Savings Plan (RRSP).

Retirement Estimates and Resources

Online Projection Tool

There is an **online pension projection tool** available through the pension website to assist with retirement planning. It incorporates your payroll and pension information and the plan rules (including early retirement reduction factors) to produce pension estimates at any number of potential retirement dates between age 55-71. These estimates can be used for retirement planning purposes. You can access the pension website through your Dal Online account. If you have any issues with logging in, please contact pensions@dal.ca.

Where to Find Plan Information

You can access detailed information about the pension plan, including how your pension is calculated, contributions and retirement options, on our website (dal.ca/pension) and SharePoint page. Some helpful links include:

- Retirement Guide
- Pension Plan Summary
- Pension Projection Tool

Questions?

We understand pensions can be complex, and we are here to help. If you have any questions about your pension benefits, do not hesitate to reach out to Retirement Services at pensions@dal.ca or 902-494-1782.

Pension Plan Terminology

Accrued pension/benefit - the amount of annual pension earned by a plan member based on credited service and salary rate up to a given date.

Actuarial Valuation - the assessment of the financial health of a pension plan by an independent actuarial consulting firm.

Actuary - a specialist who is skilled in the application of mathematics to financial problems faced by individuals, regulators, pension plans and insurance companies with respect to property loss and damage, retirement, sickness, disability, investment risk and other areas.

Additional voluntary contributions (AVCs) - a pension fund contribution that is made by a pension plan member, and that is in excess of any amount that the member is required to contribute up to the limits set out in the *Income Tax Act*. The University does not match these contributions. You may use these contributions to provide yourself with additional pension at retirement. Additional voluntary contributions may only be withdrawn when you terminate membership in the Plan or retire.

Annuity - a contract that provides a series of payments (income) for a specified period of time such as a number of years or for life. The process of annuitizing refers to the conversion of a lump sum to a series of periodic payments under an annuity contract.

Beneficiary - a person who, on the death of a plan member or pensioner, may become entitled to a benefit under the plan.

Commuted value - the amount of money that needs to be set aside today, at current market interest rates, to provide sufficient funds to pay for a pension when a plan member retires, i.e., how much a benefit is worth today. Commuted values express the lump sum value of a promised benefit from a defined benefit pension plan. The commuted value takes into account the benefits, interest and mortality. The lower the current interest rates, the higher the commuted value will be, because it is assumed that the amount today will earn less from now until retirement; and, conversely, the higher the current interest rates, the lower the commuted value.

Consumer Price Index (CPI) - a statistical device that measures monthly and yearly changes in the cost of goods and services commonly bought by Canadians. If the combined cost of this "basket" of items goes up, then there has been inflation. The greater the increase, the higher the inflation rate has become.

Continuous Service - period during which an employee is continuously employed by the same employer; may be defined in the pension plan (or by law) to include certain periods of absence, and/or service with an associated or predecessor employer. To be distinguished from Credited Service.

Credited Service - length of service used in the plan formula to calculate a defined benefit.

Deferred pension - a pension payable at a later date, either because the plan member terminates employment before the earliest date at which the pension may begin, or because the plan member chooses to have the pension commence at a later date.

Defined benefit plan - a plan that defines specific pension benefits that the member will receive at retirement based on years of plan membership, average earnings, etc., in accordance with the terms of the plan but not the total contributions.

Eligible spouse – spouse is defined (under the NS PBA) as either of two persons who:

(i) are married to each other,
(ii) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity,
(iii) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or, where they have ceased to cohabit, have cohabited within the twelve-month period immediately preceding the date of entitlement,
(iv) are domestic partners within the meaning of Section 52 of the *Vital Statistics Act*, or
(v) not being married to each other, are cohabiting in a conjugal relationship with each other, and have done so continuously for at least

(A) three years, if either of them is married, or

(B) one year, if neither of them is married

Immediate pension - a pension payable at the first of the month following the month of termination from the Plan. An immediate reduced pension is payable as early as age 55.

Inflation – the term used to describe rising prices of goods and services within an economy, usually measured as the annualized increase in the Consumer Price Index (CPI).

Inflation protection – the annual adjustment applied every January to Dalhousie University Staff Pension Plan pensions, when applicable, that reflects the increase in the cost of living in Canada.

Joint and Survivor Pension Option - a mandatory reduced pension that will continue after the member's death for the lifetime of the spouse. In most cases if, at the date of commencement of pension, the member has a spouse, the pension must be in the form of a joint and survivor pension paying at least 60% of the pension to the survivor. The benefits are not assignable. The rights to the pension benefits may be waived but the spouse cannot be compelled to do so.

Life Income Fund (LIF) – a type of RRIF, subject to pension legislation, under which the owner of the LIF must withdraw, each year, a minimum amount up to a maximum amount, as prescribed by pension legislation.

Locked-in Pension - a legislative requirement that vested benefits under the pension plan must be used to provide a lifetime retirement income and are not available as immediate cash.

Locked-in Registered Retirement Savings Plan (LRRSP) - has all the essential characteristics of a regular RRSP with the exception of a cash surrender provision. A locked-in RRSP cannot be surrendered for cash but must be used to purchase an annuity payable for life or transferred to an LIF by the end of the year during which the owner of the locked-in RRSP turns 71, at the latest.

Locked-in Retirement Account (LIRA) - has all the essential characteristics of a regular RRSP with the exception of a cash surrender provision. A LIRA cannot be surrendered for cash but must be used to purchase an annuity payable for life or transferred to a LIF by the end of the year during which the owner of the LIRA turns 71, at the latest.

Mortality Table - a table that shows the rate of deaths occurring in a defined population during a selected time interval, or survival from birth to any given age. Statistics included in the mortality table show the probability a person's death before their next birthday, based on their age. There are two types of tables - (A) Life Tables for Canada - developed by Statistics Canada from census data - show mortality rates for the general population of Canada. (B) Group Annuity Mortality Tables - developed by life insurance companies show mortality rates for employed individuals.

Normal form of pension - the normal form of pension is the usual way the member's pension will be paid as specified in the plan terms.

Normal Retirement Date - the date or age specified in the pension plan as the normal retirement date of members.

Optional forms of pension - the optional forms of pension are those over and above the normal form(s) of pension that the employer offers to its members and are actuarially equivalent in value to the normal form of pension. The optional forms may be specified in the plan terms and allow the members to tailor to their needs the size of their benefit payments, the length of the guarantee period, and the amount of continuing survivor benefits. Generally, the longer the guarantee period and/or the greater the amount continuing to the spousal survivor, the lower the monthly/annual benefit payment.

Past service - defined benefit plan provisions may provide benefits for periods of eligible service that occurred in a year before the current year. The period of service before the current year is an example of what would be considered past service. In a plan that contains a defined benefit provision, past service can be purchased any time an employer allows a plan member to recognize additional eligible service as an employee retroactively.

Pension Benefits Act (PBA) - the provincial statute designed to protect the interests of pension plan members of Nova Scotia. The PBA sets minimum standards for pension plans in areas such as eligibility, vesting, portability and disclosure to members and sets out rules for the solvency and investment of pension plans.

Pension Formula - the formula used by a pension plan to determine the amount of the retirement pension benefit.

Pension Trust Fund (PTF) - Trust Fund which invests the accumulated contributions in respect of active Members and supports benefits payable during the period of active membership.

Pensionable Earnings - The portion of a plan member's total earnings upon which contributions are based, and the pension benefit is calculated (e.g., regular earnings, excluding overtime).

Pensionable Service - the portion of the plan member's eligible service that is used for benefit purposes in a given pension plan. A plan sponsor or plan administrator determines what constitutes pensionable service by defining it within a pension plan text. All pensionable service must be eligible service. However, the plan terms might be more restrictive; for instance, not all eligible service is necessarily pensionable service under the plan.

Pensioner - retired plan member in receipt of a pension benefit.

Portability – the legislated right to transfer vested and locked-in benefits to another registered retirement plan when a member leaves the employer's service.

Retirees' Trust Fund (RTF) – Trust fund which invests the assets required to support pension payments after retirement. These assets are transferred from the Pension Trust Fund after retirement.

Year's Additional Maximum Pensionable Earnings (YAMPE) – a new level of earnings above the YMPE being phased in by CPP on which a second additional CPP contribution and benefit is calculated. The YAMPE will be published by the CPP every year. For pension purposes for calendar years 2024 and prior, the YAMPE is deemed to be equal to 114% of the YMPE in any calendar year.

Year's Maximum Pensionable Earnings (YMPE) – the maximum earnings from employment on which certain CPP contributions and benefits are calculated. The YMPE is changed every year according to a formula based on average industrial wage levels.

This document does not deal with all of the features of the Dalhousie University Staff Pension Plan. Those who require greater detail about the Plan should refer to the complete Dalhousie University Staff Pension Plan text, which is available from People and Culture and can be accessed online at dal.ca/pension. Any official interpretations or determinations regarding the requirements and features of the Dalhousie University Staff Pension Plan are based on the actual Plan text.