



PENSION ADMINISTRATION *BULLETIN*

Reference No. 2005-09

Date: November 4, 2005

TO: All Pension Administration Contact Persons at
Contributing Member Organizations

RE: NSAHO Pension Plan Amendment 2005-03 - Base Year Upgrade effective January 1, 2006

We wish to inform you that the Plan Amendment 2005-03 was approved by the NSAHO Board of Directors at their meeting on November 4, 2005. This Amendment provides that the NSAHO Pension Plan's Base Year will be upgraded from 2003 to 2004, effective January 1, 2006.

Some quick facts about Base Year

- The Plan's Base Year affects the way a Member's career earnings are taken into account when calculating their pension benefits.
- When the Base Year is upgraded, it means that a Member's previous annualized pensionable earnings for years *before* the new Base Year are "upgraded" to the same level as their annualized pensionable earnings in the *new* Base Year.
- When a Member's annualized pensionable earnings in the new Base Year are higher than those in the previous Base Year, it results in a higher pension benefit than would have occurred if the previous Base Year had not been changed.
- As always, in those cases where using an earlier Base Year than the current one results in a higher pension for the Member, that Base Year will be used in that Member's pension calculation instead.
- **Note:** When a Base Year upgrade is granted in our Plan, it does not result in a recalculation of benefits for those *former* members who have terminated their membership in the Plan. Pension benefit calculations always reflect the Base Year that is applicable to the Member at the date of the event (termination of employment, retirement, or death).

Action Required:

Two important things require that this announcement be made to your employee members promptly:

1. Presently, some Plan Members may be considering retirement, or terminating their employment. They need to know whether a Base Year improvement decision has been made because it may affect either their decision, or the timing of their departure (or both).
2. The Nova Scotia Pension Benefits Act regulations require that all employees who are Plan Members be notified of this Plan amendment.

The Plan needs your timely assistance to meet these information and compliance requirements. Therefore, we have prepared the attached Notice that you can use in announcing the Plan amendment to your employee members. We recommend that you copy and circulate this notice to the appropriate employees via your internal mail system, your internal E-mail, as an insert in pay stub envelopes, and/or post it on bulletin boards throughout your facility. **If you anticipate any logistical difficulties related to distributing this information on a timely basis, please let us know right away and we will look at ways to assist you.** We appreciate your cooperation in helping the Plan to meet its legal compliance requirements in this matter.

Please call us if you have any questions about this Bulletin.

**NSAHO Pension Plan
November 4, 2005**

Attachment.



To all active Members of the NSAHO Pension Plan Pension Plan Amendment 2005-03 Base Year upgraded effective January 1, 2006

NSAHO Pension Plan wishes to inform you that the Plan has been amended (Amendment 2005-03) to upgrade the Base Year from **2003 to 2004**, effective January 1, 2006.

Some quick facts about Base Year

- The Plan's Base Year affects the way your career earnings are taken into account when calculating your pension benefits.
- When the Base Year is upgraded, it means that your previous annualized pensionable earnings for years *before* the new Base Year are "upgraded" to the same level as your annualized pensionable earnings in the *new* Base Year.
- When a Member's annualized pensionable earnings in the new Base Year are higher than those in the previous Base Year, it results in a higher pension benefit than would have occurred if the previous Base Year had not been changed.
- As always, in those cases where using an earlier Base Year than the current one results in a higher pension for the Member, that Base Year will be used in that Member's pension calculation instead.
- **Note:** When a Base Year upgrade is granted in our Plan, it does not result in a recalculation of benefits for those *former* members who have terminated their membership in the Plan. Pension benefit calculations always reflect the Base Year that is applicable to the Member at the date of the event (termination of employment, retirement, or death).

If you have any questions about this notice, you may contact your employer's human resources office, or you may contact the NSAHO Pension Plan directly as follows:

Address: NSAHO Pension Plan, 2 Dartmouth Road, Bedford, NS B4A 2K7

Telephone: (902) 832-8500 (local calls) or 1-866-400-4400 (long distance -Toll Free)

Fax: (902) 832-8506

E-mail: pensionplan@nsaho.ns.ca

NSAHO Pension Plan

November 4, 2005

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