

August 2021

Dear Plan Members,

Since 2019, the administrative provisions for your Newfoundland and Labrador Teachers' Pension Plan have been included in the Plan Text: the document that governs the Plan's operations and administration by the Teachers' Pension Plan Corporation on behalf of members. The Plan Text is available on our website at: www.tppcni.ca. The Plan Text can be amended only when approved by the Sponsor Body.

We'd like to take this opportunity to inform you of some recently approved changes made to the Plan Text – and what these may mean for you.

Plan membership for re-employed pensioners

In November 2020, two changes were made to Section 2.2 of the Plan Text:

1. Pensioners can now be hired without having to rejoin the pension plan for up to a maximum of 90 days (this is an increase from the previous maximum of 65 days); and
2. If approved by the Sponsor Body, pensioners can be hired for a longer-term position without having to rejoin the pension plan – however, this can only happen when the employer can't fill an advertised position with a capable or qualified teacher who's not receiving a pension.

Taking the Commuted Value of your pension when you terminate employment

Your Teachers' Pension Plan is designed with the primary purpose of providing members with a secure, predictable lifetime pension in retirement. Paying out a lump sum Commuted Value immediately before retirement is at odds with this purpose. The Commuted Value of your pension benefit is calculated based on actuarial standards.

The change outlined below supports our focus on the long-term stability and sustainability of the Plan.

As of November 1, 2021:

- If your employment ends before you are eligible to retire and you have 20 or more years of pensionable and past service, your pension entitlement will need to stay in the Plan as a deferred pension until retirement benefits are payable.
- If your employment ends before you are eligible to retire and you have less than 20 years of pensionable and past service, you will still have the option to transfer your Commuted Value out of the Plan when you terminate.

If you will have accumulated 20 years of pensionable and past service *before* November 1, 2021, you will continue to have the option to transfer your Commuted Value out of the Plan upon termination, until you become eligible for an unreduced pension.

Please review Section 6 of the Plan Text for the revised options available upon termination. You can find this, and other pension plan updates posted on our website at www.tppcnl.ca. Alternatively, you may request a paper version of any documents by contacting us.

We encourage you to subscribe for electronic mailings by registering your email address on our website at www.tppcnl.ca. It's an easy way to ensure that you're always up to date with relevant and pertinent pension plan-related information.

If you have any questions or concerns, don't hesitate to contact us by telephone at 709-793-8772, or toll free at 1-833-345-8772; or via e-mail to memberservices@tppcnl.ca.

We would be pleased to hear from you.

Yours sincerely,

A handwritten signature in blue ink that reads "Paula McDonald". The signature is written in a cursive, flowing style.

Paula McDonald,
Chief Executive Officer