NHRIPP

NURSING HOMES AND RELATED INDUSTRIES PENSION PLAN

Caring for your Retirement

SEPTEMBER 2025

NHRIPP NOW

Your mobile app is here!

Looking to estimate your pension, view your Annual Pension Statement, or update your personal or beneficiary information while you're on the go? You can do that and more using the new mobile app.

Downloading the app is easy

Simply scan the QR code using your phone's camera, click "Get" or "Install", and enter your phone's password.

Helpful tips

- You'll need your **My InSite username** and **password** to open the app.
- If you don't have a My InSite account, you'll need your **Member ID no.** to set up your account.
- If you can't remember your Member ID or need help downloading the app, contact the **NHRIPP call centre**.

Note: The app is free. Do not provide your credit card information if you see a message asking for that information.

WHAT'S INSIDE

A message from your Trustees

The legal framework for multi-employer pension plans changed in 2025

Here's what it means for your pension

As mentioned in the October 2024 issue of NHRIPP Now, a **new permanent legal framework** for **target benefit pension plans (TBPs)** – like the Nursing Homes & Related Industries Pension Plan – came into effect on January 1, 2025. This new **TBP** framework was anticipated by the pension industry for almost 20 years. In many ways, it will continue to be *"business as usual"* for the pension industry. Most importantly, it does not mean a change in your pension benefit entitlements. It does, however, clarify the legal framework and create more certainty for multi-employer pension plans going forward. Pension Plans have until 2028 to formally apply and become a TBP under the new regulations by the Financial Services Regulatory Authority of Ontario.

The window to apply for TBP status provides pension plans with the time to ensure they comply with the new regulations and policies of the new framework. The window will also provide an opportunity to work with the regulators in developing applicable policy to TBPs. A significant amount of work will have to be completed by NHRIPP's Board of Trustees prior to applying for TBP status – so stay tuned for future communications about the TBP journey.

Some of the additional work that will be required by the Board of Trustees includes developing formal pension funding, communication, and risk management policies in a format that complies with the new TBP framework. Although NHRIPP has considered the issues raised by the TBP framework, we will revisit them to ensure they comply with the new standards. In addition, the Board will have to prepare several financial models with their actuaries and legal counsel to ensure that the Plan meets the new regulations.

As always, the Board of Trustees will continue to focus on **long-term funding stability**, **communication effectiveness**, and **strong governance**.

NHRIPP delivered impressive investment results in 2024!

We're pleased to share that ***your Plan earned an investment return of 17%*** in 2024, which exceeded its benchmark of 13.8%. For comparison, the Bank of New York Global Risk Solutions reported the 2024 Canadian Pension Plan median return at 12.28% and Eckler Ltd. (NHRIPP's actuary and investment consultant) reported that NHRIPP's 2024 unhedged return was in the **first percentile rank** of the Eckler Universe benchmark (a metric used by Canadian pension funds to measure investment performance). That is all to say, the extensive work by the Board of Trustees and its consultants paid off – your Plan was among the **very best-performing pension plans in Canada**.

Over the longer term, your Plan continues to deliver consistent results, with an average annual return of **8.2%** over the past five years which **outperformed** its benchmark return of 7.4%.

With rising tariffs, global tensions, and political uncertainty in the news, NHRIPP continues to be well positioned by diversifying its investments. As always, the Board of Trustees, in conjunction with their consultants, will continue to monitor Plan risks and investment allocations.

The chart on page two, indicates how you and your employer's contributions are invested. Diversification helps lower risk and smooth out returns which enables your Plan to stay strong in all types of economic situations.

Self-payments keep your pension growing while you're on a leave

As you know, typically both you and your employer contribute to your pension. However, if you are taking an approved leave from work, those contributions could stop and as a result, your pension could also stop growing. To keep your pension on track, you may be able to make *self-payments* while you're away from work. A self-payment is when you make pension contributions yourself – with or without contributions from your employer – while you're on an approved leave of absence. Some self-payments require your employer to also contribute to the NHRIPP during your leave -- but only if the member elects to make their contributions. For example, maternity and paternity leaves (and other statutory leaves) in Ontario require an employer to continue to make contributions to the Plan if the member continues to make contributions. This is a valuable benefit while you're on a leave.

You can make self-payments during many types of leave including:

- Maternity or parental leave
- WSIB/WCB
- Long-term disability (LTD)
- Layoff with recall rights
- Any other approved leave of absence

You can also make self-payments if you've left one contributing employer and started working for another employer participating in NHRIPP, until your new employer begins making contributions in accordance with your collective agreement.

Protected vs. non-protected leaves: How each type impacts your contributions

If your leave is **protected** under your province's **employment standards legislation** or your **collective agreement**, your employer may be required to contribute when you make self-payments. For some **unprotected leaves**, you can choose to make a self-payment that covers both you and your employer's contributions.

Self-payments are often beneficial

Your best option could be to **continue making self-payments during protected leaves** – you keep building your pension and your employer chips in too. For **non-protected leaves**, self-payments still help maintain your pension while you're not working.

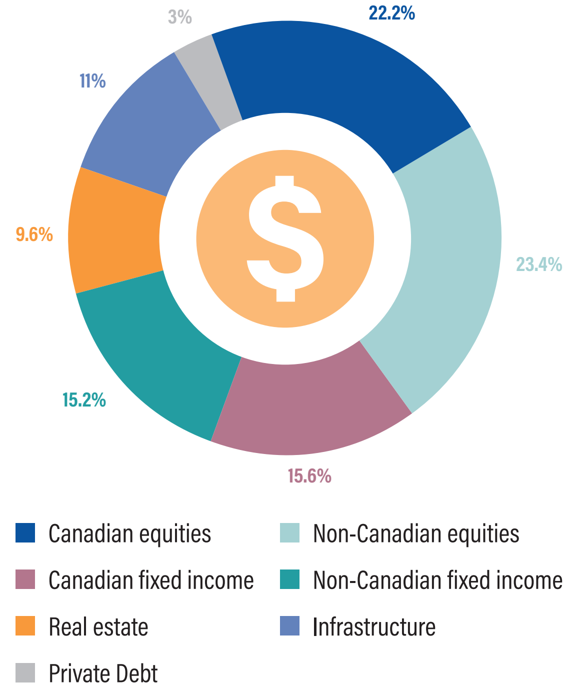
How to make self-payments

InBenefits will send you a letter after your leave of absence is reported to us. The letter explains your options for making pension contributions during your leave. *If you don't receive a letter from us within eight weeks after the start of your leave, and you are interested in making self-payments, please contact InBenefits (see the back page of this newsletter).*

More information? Refer to the **Self-Payments** article on the NHRIPP website (www.nhripp.ca > Members > Life Events > Break in Service > Self-payments).

Questions? Contact the NHRIPP call centre at 905-889-6200 or 1-800-287-4816 (select option 1 for both numbers) or email **information@nhripp.ca**

How the Plan's Assets are Invested



Why is your pension "locked in"?

We often are asked by members why they can't access/cash out their pension funds and why the funds are "locked-in". The reason is that pension legislation requires pension benefits to be "locked-in" – pension plans and contributions are both protected from most creditors, receive certain advantageous tax treatment, and are designed to provide a lifetime of benefits starting at retirement. As a result, the legislation requires pension benefits to be locked in to provide that retirement income.

There are some limited exceptions under pension legislation that permit waiving the locked in requirement, such as shortened life expectancy (supported by medical documentation) and financial hardship. To quality as suffering from financial hardship, you must have ended all employment, not contributed to your NHRIPP pension for at least eight months (also known as a break in service), and transferred your pension to a Locked-In Retirement Account (LIRA), Life Income Fund or (LIF), or another locked-in account.

Ready to start your pension?

You'll need to select your pension payment option.

When you're ready to retire, you'll need to inform your employer about your retirement date, request a Pension Application package from NHRIPP, complete and submit the required forms, and select a pension payment option. Your choice will affect how much you receive each month and what your spouse (if you have one when you retire) or beneficiary may receive after you pass away.

The options available depend mainly on whether you have a spouse when your pension begins. Choosing an option that is right for you is extremely important as **once your pension starts, your selection cannot be changed**. We recommend reviewing your pension payment options with your spouse, family, and a financial advisor so you can choose the option that works best for you and your loved ones. No matter which payment option you choose, your NHRIPP pension is designed to provide you with a monthly benefit for the rest of your life.

Your options if you have a spouse when you start your pension

Under Ontario pension law, if you have a spouse when your pension starts, you must choose a payment option that gives you a lifetime pension and provides your spouse with at least 60% of your pension for their lifetime if you pass away first – unless they agree in writing to give up that right. This ensures your pension continues to support your spouse if you pass away before them. These options are called **Joint and Survivor Pensions**.

You can choose to have 100%, 75%, 60%, or 50% of your pension continue to your spouse after you pass away. If you want to select the 50% option, provincial pension law requires your spouse to sign a legal waiver, since the law normally requires at least 60%.

If you don't have a spouse (or your spouse has signed their pension waiver) when you start your pension

You have different options if you don't have a spouse when you start your pension. You can select one of the following pensions that provide a guaranteed number of monthly payments even if you pass away before reaching the full allotment of payments.

- 60 payments (5 years)
- 120 payments (10 years)
- 180 payments (15 years)

You can also choose a pension without a guaranteed number of payments

If you don't have a spouse, you can also select a pension without a guaranteed number of payments. With this option, you'll receive a higher monthly pension compared to one with a guaranteed number of payments. However, your pension payments will stop after you pass away.

More information: See **Your Pension Payment Options** article on the NHRIPP website at www.nhripp.ca > Members > **Your Pension Payment Options**.

Need more help? Contact our call centre (see back page of this newsletter) and a customer service representative will explain your pension payment options and answer your questions.

Quickly access your Annual Pension Statement on the mobile app and member portal.

Your pension statement helps you keep track of your pension benefits. It includes your personal information, beneficiary information, the amount of annual pension you have accrued to the end of 2024, and your projected pension at age 65.

Please review all information in your statement

If any of the information in your statement is incorrect, outdated, or incomplete, please update it immediately using the mobile app or the My InSite member portal.

Questions?

Contact the NHRIPP call centre (see back page of this newsletter.)

YOU ASKED, WE ANSWERED

Q. Why is it important to provide your current list of beneficiaries?

A. Under Ontario pension law, your **eligible spouse** is automatically your sole beneficiary – unless they waive that entitlement by completing a wavier form and submitting it to InBenefits. It is also important to have a **designated beneficiary(ies)** in case your spouse dies before you do or if you don't have a spouse.

If there are no beneficiaries listed in our records and you don't have a spouse on your date of death, your pre-retirement death benefit will be payable to your estate and may be subject to estate taxes and/or probate fees. You can quickly update your beneficiary information using the NHRIPP **mobile app** or **My InSite** member portal.

Q. Why is it important to keep my contact information updated?

A. Your contact information (i.e. address, email, and other personal information) helps InBenefits keep you informed about important pension updates, contact you when required, and send your Annual Pension Statement and other pension documents electronically, which is faster and more dependable than regular mail. Also, your request to process your pension application could be delayed if we don't have your correct contact information. You can quickly and easily review and update the information you provide to InBenefits through the NHRIPP **mobile app** and **My InSite** member portal.

Q. Do I qualify for a past service benefit?

A. If you worked for your first contributing employer when they began contributing to the Plan, you may be entitled to a **past service benefit**. This could provide up to $26.60 per month for each year of your service with that employer before they began contributing to the Plan (up to a maximum of seven years).

Please note:

- You are only eligible to receive a past service benefit with your first contributing employer.
- **If your employer started contributing to the NHRIPP *on or before* June 1, 2016:** You must complete 24 continuous months of Plan membership or turn age 65, to receive all past service for which you are eligible.
- **If your employer started contributing to the NHRIPP after June 1, 2016:** You will receive up to two years of past service after you complete 24 months of continuous membership or reach age 65. If you are eligible, you will receive another year of past service for each additional year of continuous Plan membership you complete (to a maximum of five additional years).
- If you qualify, your past service benefit will be listed on your **Annual Pension Statement**.

Q. Why is interest on contributions shown on my Annual Pension Statement?

A. Pension legislation requires "interest on employee contributions", at a minimum, to be shown on your Annual Pension Statement. Interest on employee contributions indicates if your Plan complies with a pension regulation called the **"50% rule"** which ensures members don't fund more than 50% of the value of the pension they accrued.

If your contributions plus calculated interest equal more than 50% of the current value of your pension, this difference or "excess" may be refunded to you as a taxable lump sum amount, used to provide you with a larger pension, or transferred to your RRSP, another registered account, or another pension plan on a tax-sheltered basis.

KEEP IN TOUCH

Have questions about your Plan, how to update your personal information, or the new mobile app? We're here to help!

Email: information@nhripp.ca

In Toronto:
905-889-6200 (Option 1)

Outside Toronto:
1-800-287-4816 (Option 1)

Fax: 905-889-7313

Address:
Nursing Homes and Related
Industries Pension Plan
c/o InBenefits
310-105 Commerce Valley Drive West
Markham, Ontario L3T 7W3

Website: www.nhripp.ca

Did You Know?

An independent study found that NHRIPP has among the lowest administration costs in Canada which means more of your contributions go directly toward your pension benefits.

Final word

This newsletter provides summary information about the Nursing Homes and Related Industries Pension Plan in simple terms. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this newsletter and the legal documents that govern the Plan, the legal documents will apply. In accordance with applicable legislation, the NHRIPP Trustees may modify the Plan rules at any time, including changing benefit amounts, the types of benefits offered, the eligibility requirements and terminating the Plan.