

Appendix D19 – Actuarial Methods and Assumptions

Public Service Defined Benefit Pension Plans Reciprocal Transfer Agreement

Name of Public Authority: SFPP Corporation
 Registered Pension Plan Name: Special Forces Pension Plan

1. Actuarial Method (describe): Projected accrued benefit actuarial cost method
 2. Assumptions: Effective date: November 1, 2025

a) Economic Assumptions

1. Nominal Interest Rate: 5.50 %
 2. Inflation Rate: 2.00 %
 3. Cost of Living Adjustment (COLA): 1.20 %
 4. YMPE Growth Rate: 3.00 %
 5. Salary Growth Rate: 2.75 % per year plus Merit and Promotion (see below)
 6. Rate of increase of Maximum Benefits under Income Tax Act: 3.00 %

Merit and Promotion			
Age	Merit & Promotion	Age	Merit & Promotion
16-22	4.30%	43	1.00%
23	4.10%	44	0.90%
24	3.90%	45	0.90%
25	3.80%	46	0.80%
26	3.60%	47	0.80%
27	3.40%	48	0.70%
28	3.20%	49	0.70%
29	3.00%	50	0.60%
30	2.80%	51	0.60%
31	2.60%	52	0.50%
32	2.40%	53	0.40%
33	2.20%	54	0.30%
34	2.00%	55	0.20%
35	1.90%	56	0.10%
36	1.70%	57+	0.00%
37	1.50%		
38	1.40%		
39	1.30%		
40	1.20%		
41	1.10%		
42	1.00%		

b) Demographic Assumptions

1. Mortality	
a) Pre-retirement:	No Mortality
b) Post-retirement	120% of the 2014 Public Sector CPM Table with Scale CPM-B Members: 85% male and 15% female Pension Partners: 15% male and 85% female
2. Withdrawal Rate:	N/A
3. Disability Rate:	N/A
4. Retirement Age:	Earlier of Age 55 or attainment of 25 years of service, or current age if later
5. Proportion With Pension Partner at Death/Retirement:	90%
6. Pension Partner Relative Age:	Male 4 years older than female