

local office. To do so, bring along a photo I.D. and National Insurance card. When sending a representative to pick up your cheque, make sure that he brings along an authorization letter or form, signed by you, your National Insurance card, which must be signed, and a photo I.D. of himself.

Pensioners who live abroad may apply to any one of the commercial banks in The Bahamas to open a U.S. dollar account for the express purpose of depositing monthly cheques. The *Central Bank of the Bahamas* has delegated authority to these banks to facilitate this process.

Further Information

❖ Change of Circumstances

You must notify the Director, in writing, as soon as possible after the award of the benefit, if there is any change of circumstances which may affect your right to receive the Benefit. A change of circumstances exists if you are younger than 70 years and return to gainful employment with an income of more than \$200 per week.

❖ Verification

Once you are in receipt of Retirement Benefit, you must produce evidence of your continuing right to the benefit. Such *verification* must take place during your birth month and exactly six months thereafter. Your payments will stop if you fail to be verified as indicated.

To be verified, visit any one of NIB's Local Offices with your passport or voter's card, and your National Insurance card. Or have the NIB Verification Form

duly notarized and returned to the Pension Verification Department in the New Providence Local Office.

❖ Late Claims

You may lose some of your Retirement Benefit if you submit your claim more than six months after the date you become eligible for it (*"eligibility"* starts from the date you actually retire, if you are 60 years old or over).

❖ Right of Appeal

If you are not satisfied with any decision made on your claim, you have the right to appeal, in writing, within 21 days of the date you were notified of the decision.

❖ The National Insurance Act

This leaflet gives basic information on Retirement Benefit; for further details on this benefit and any other provision of our Social Security Programme, please refer to the National Insurance Act & Regulations.

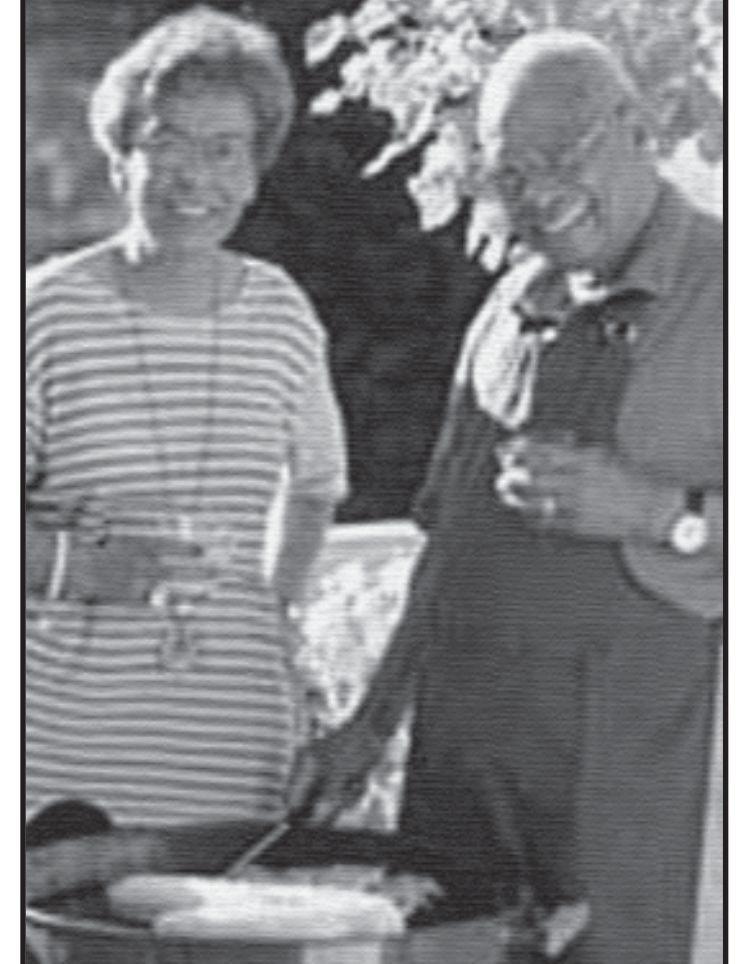


Hotline numbers: 325-4655/325-4656
or toll-free from the Family Islands: 1-242-300-1394
Website: www.nib-bahamas.com
E-mail: info@nib-bahamas.com



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RETIREMENT BENEFIT



FOR THOSE PRECIOUS
"GOLDEN" YEARS....

What is Retirement Benefit?

Retirement Benefit is an award made to insured persons who have either retired from gainful employment or who have attained the age of 70 years. Full benefit is paid from age 65, but persons have the option of retiring from as early as age 60 years with a reduced benefit payment. See *Early Retirement* below.

Qualifying Conditions

There is one basic contribution condition for the award of Retirement Benefit, and that is that you must have paid at least 150 contributions into National Insurance since the programme began in 1974.

Retirement Benefit is payable for life to an insured person who meets the contribution condition **AND** who is:

- i) Aged 60 to 69, retired from gainful employment, or if still working, is not earning more than \$200 per week/ \$866.67 per month; **OR**
- ii) aged 70 years or older.

Early Retirement

Early retirees receive reduced payments paid as percentages of what they would have gotten had they claimed at age 65 years. Reduced rates are :

- 60 years - 80%
- 61 years - 84%
- 62 years - 88%
- 63 years - 92%
- 64 years - 96%

These reduced rates (percentages) are set for life.

How Benefit is Calculated

Two factors are used to determine the dollar amount of the benefit.

First, the *average insured income on which contributions were paid and or credited* must be determined. Currently, the highest three years of insurable earnings in the last ten years, is used. (For *Pensionable Civil Servants*, the insurable earning for Retirement and other pensions, is capped at \$110 per week.)

Secondly, the **number of contributions paid and or credited into the programme** will be used to determine what percentage of the *average insured income* will be paid.

A Working Example: Let's take a 65 year-old who paid contributions for a total of 750 weeks (15 years). In the 10 years immediately prior to claiming the benefit, his highest salary was \$300 per week, which he paid for about four years.

Calculations: His 750 contributions entitle him to 40% of his average insured income; his average

Benefit Rates Based on Contr.	
Contributions	%
150 - 199	15
200 - 249	17
250 - 299	20
300 - 349	22
350 - 399	24
400 - 449	26
450 - 499	28
500 - 549	30
550 - 599	32
600 - 649	34
650 - 699	36
700 - 749	38
750 - 799	40
800 - 849	41
850 - 899	42
900 - 949	43
950 - 999	44
1,000 - 1,049	45
1,050 - 1,099	46
1,100 - 1,149	47
1,150 - 1,199	48
1,200 - 1,249	49
1,250 - 1,299	50
1,300 - 1,349	51
1,350 - 1,399	52
1,400 - 1,449	53
1,450 - 1,499	54
1,500 - 1,549	55
1,550 - 1,599	56
1,600 - 1,649	57
1,650 - 1,699	58
1,700 - 1,749	59
1,750 -	60

insured income is \$300 per week. This works out to a Retirement Benefit of \$520 per month (\$300 x 40% x 52 weeks /12 months).

It must be noted that there are many persons whose entitlements are very low. For this cause, NIB has a minimum amount payable as Retirement Benefit. Currently, minimum payments are \$250 for a person awarded at age 60 years, and \$270 for a person awarded from age 65 years.

When And How to Claim

A claim for Retirement Benefit must be made, in writing, to one of the Board's Local Offices. In the case of an individual who retires from gainful employment and is aged 60 years or older, the claim must be made within six months of the date he or she actually retires.

Claim forms are available at all of the Board's Local Offices and online.

How Retirement Benefit is Paid

Retirement Benefit is paid as a monthly pension.

All recipients of Retirement Benefit (with the exception of persons who live on Bahamian islands where there are no banks) are required to have their monthly payments sent to the banks of their choice (in The Bahamas). Payments may also be sent to accounts at the Post Office Bank, which has branches around the country.

Persons who live on islands where there are no banks, may collect their monthly cheques from their nearest