



NATIONAL SOCIAL SECURITY AND INSURANCE TRUST

NASSIT BENEFITS

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Members of the Scheme are entitled to a package of benefits, as prescribed by the NASSIT Act of 2001, in the event of Old age, Invalidation and Death.

Types of Benefits

The Scheme provides the following benefits to its members:

- ✚ Old age gratuity and Old age pension
- ✚ Reduced or Early Retirement pension
- ✚ Retirement grant
- ✚ Invalidation pension
- ✚ Invalidation grant
- ✚ Survivors' pension
- ✚ Survivors' grant

1. OLD AGE PENSION AND GRATUITY

This is paid to a member who is 60 years old (which is the National Retirement Age), and has made a minimum contribution of 180 months in aggregate. A minimum contribution or credit of 180 months gives a pension right of 30%, and every additional year attracts an additional 2% per month.

Calculation of Full Old age pension

Step 1. Take the average of your best five (5) years

For example: Add your best five years earnings and divide the total by five (5)

$$\frac{A+B+C+D+E}{5} = X$$

X = average of five best years earnings

Step 2. Divide the average you got in Step 1 by 12 to get a monthly rate

Step 3. If the qualifying condition of 180 months (15 years) was met, monthly pension payments start at 30 percent of the monthly rate in Step 2.

Step 4. For any additional year worked, we add 2 percent to the pension amount derived in Step 3.

Calculation of Old age Gratuity

A lump sum equal to twelve months of initial pension derived above is payable as gratuity on the 60th birthday of the member.

2. REDUCED OR EARLY RETIREMENT PENSION

This is paid to a contributor who retires before the National Retirement Age. However the following conditions must be met before any payment is made:-

- the member must be 55 years and above but below 60 years;
- he must have made a minimum contribution or earned credit of 180 months.

The pension right will be reduced by 4% for every year below age 60.

Application For Old age pension

An application for old age pension shall be made three months prior to the date of retirement of the member on the SS 5A form

However, three months before the retirement age of 60, NASSIT will send a form to the member to confirm details on the database. The form must be endorsed and returned quickly so that payment is made on the 60th birthday of the member.

3. RETIREMENT GRANT

This is paid to a member who has reached the retirement age but has not made the minimum contribution period of 180 months.

Those who cannot make the minimum contributory period can make up for the shortfall in the number of years by purchasing credits based on the number of years needed to make the minimum qualifying period.

However, if the member does not wish to purchase credit, then he will be entitled to a **lump sum payment**.

The lump sum payment given as retirement grant

Step 1. Take the average monthly earnings for all the years worked

Step 2. Multiply that average by the constant factor 1.5 to get the monthly amount

Step 3. Multiply the monthly amount derived in Step 2 by the number of years you have contributed

4. INVALIDITY PENSION

Invalidity is when a determinable physical or mental impairment prevents a member or contributor from engaging in any meaningful gainful employment.

The member must have an extreme impairment which makes him permanently unable to do the work he did previously or to engage in any other gainful employment.

Entitlement to Invalidity Pension

For a member to qualify for an Invalidity pension, the following conditions must be met:-

- You must have contributed for a minimum period of 60 months of which twelve (12) months' contribution must have been paid during the last thirty-six months preceding the commencement of invalidity;
- You must have been declared permanently and totally incapable of further employment by a qualified and recognized medical officer and certified by the Medical Board.

Calculation of Invalidity pension

After the Medical Board has certified a member invalid, the Invalidity pension will be calculated as follows:-

- a) Number of months of contributions or credit earned;
- b) Difference between the year of invalidity and national retirement age (60 years). The difference is divided by 2 (two).
- c) Pensions are then calculated based on the number of years derived from (b) above

Cessation of an Invalidity Pension

The entitlement to an Invalidity pension shall cease on the following conditions:

- a) If the Medical Board determines that the member is no longer invalid;
- b) If the Invalid member commences work other than work which is determined by the Medical Board as beneficial for rehabilitation purposes;
- c) When the Invalid member reaches age 60, at which point it is converted into an Old age pension.

5. INVALIDITY GRANT

If a member does not meet the minimum contribution requirement of sixty (60) months before becoming invalid, a lump sum, which is 1.5 times the average monthly earnings times the number of years contributed, is paid as Invalidity grant to that member.

7. SURVIVORS' PENSION

A survivor or dependant is:-

- a spouse;
- a dependent child under 18 years, if not in formal education;
- a dependent child under 23 years, if in formal education;

More importantly, a dependant's name must have been listed as such on the registration (SS 1A) form or Data Update (SS1C) form.

Qualifying conditions

The deceased must have been in receipt of, or entitled to, an old age or invalidity pension, or must have contributed for a minimum period of sixty (60) months, twelve (12) of which must be within the last thirty-six (36) months preceding death.

Payment of Survivors' pension

A survivor shall receive pension for a period of time as stated below:

- a) A spouse or spouses shall receive 40% of the deceased's pension (distributed equally) until death or until new co-habitation or re-marriage;
- b) The child/children shall receive 60% of the deceased's pension until:
 - i) 18 years, if not in formal education, or
 - ii) 23 years, if in formal education
- c) An invalid dependent child shall receive the pension until death, or according to the Act governing the Scheme, he is no longer invalid.

With the consent of the beneficiaries, the pension will be paid (in cash or cheque) either directly to the beneficiary or to a bank account.

In all cases, survivors' pension is paid only to the person(s) entitled to it, except that:

- a) a pension on behalf of an under-age child may be paid to a parent or guardian caring for the child and with whom the child is staying, or

- b) a person may be appointed through the Ministry of Social Welfare, Gender and Children's Affairs, on behalf of a child without a parent or guardian, or wherein such parent or guardian is not using the pension for the child's welfare.

8. SURVIVORS' GRANT

This is a lump sum paid to survivors when the deceased member did not meet the qualifying conditions for the payment of a pension.

When a deceased member has no dependants

In the event where a deceased member does not have any spouse or dependent child,

- a) a lump sum equivalent to twelve months' pension will be paid to any surviving parent who is either on pension or in employment; or
- b) a lump sum equivalent to twenty-four months' pension will be paid where the surviving parent is not on pension or in employment.

Application for a Survivors' pension

An application for survivors' pension is made on the SS 5B Form. The applicant should produce the death certificate of the deceased member; or in the absence of a death certificate, a letter from the Local council confirming death of the member.

CONTACT ADDRESSES

Benefits can be received from any of the following NASSIT Offices:

1. **Freetown:**
 - a) Head Office: 35A Lightfoot Boston Street, Tel: 225365/220246
 - b) Western Region: Pension House, 30 Howe Street; Tel: 290443/292235
2. **Northern Region:** 27A Lady's Mile, Makeni; Tel: 076-649-043
3. **Southern Region:** 11 Bojon Street, Bo; Tel: 032-320-260
4. **Eastern Region:** 2 Sahara Street, Kenema; Tel: 032-420-518