NDT Benefits
Career — Health — Security

N.D.T. Industry Pension Plan

Internal Life Income Fund

An Internal LIF is a type of Registered Retirement Income Fund (RRIF) that pays you income from your NDT Industry Pension Plan account during your retirement, instead of moving your pension account out of the Plan. The Plan's Internal LIF retirement option has been part of the Pension Plan since January 2025.

How it Works

When you are ready to retire, you can elect to receive the Plan's Internal LIF as your retirement option.
Choosing the Plan's Internal LIF means:

- Your money will remain in the NDT Industry Pension Plan,
- You set how much you will withdraw each year (there are legislated minimums and maximums),
- You will earn net investment income on your fund account in the Pension Plan.

Benefits of the Plan's Internal LIF

Funds professionally managed
Your money will be professionally managed by the NDT Industry Pension Plan's investment managers. You will take advantage of the Plan's diversified portfolio and avoid the potential stress of investing on your own.

Earn Investment Income
You will earn investment income in your Pension Plan account based on the Plan's returns.

The Plan's 4-year average return was 7.5%, including a one-year rate of return of 11.1% as at December 31, 2025.

Tax Advantages
Your savings are tax-deferred until withdrawn, meaning you only pay taxes on the amount you withdraw from the Plan each year.

Lower Fees
Your investment management fees will be lower than those of a retail account, meaning you have more money for your retirement. Purchasing an investment account (LIF/RRIF) as an individual usually results in 2%-3% in investment fees per year. Because the Plan's invested funds are much larger, the Plan typically pays 0.4%-0.6% per year in fees.

Beneficiary Benefits
When you die, the balance of your Plan LIF goes to your spouse. If you don't have a spouse at that time, the money will go to the pension beneficiary(ies) you named.

Considerations

Regulations around LIFs also apply to the Plan's Internal LIF. These include:

- There are minimum and maximum amounts you would need to withdraw in a year.
- Pension regulations allow you to withdraw up to 50% of your pension account in the Plan at retirement.
- The withdrawal you make is subject to tax.
- You cannot start a LIF until you reach at least the Plan's early retirement age of 55.
- You can transfer all or a portion of your money out of the Plan's LIF to an eligible account at any time.
- If you have a spouse, they must complete a Waiver of Joint and Survivor Pension when you apply.

Please note that this option is not available to members in New Brunswick, Prince Edward Island, or Newfoundland and Labrador, as pension legislation in these provinces has not been amended to allow payment of LIF-type benefits from a pension plan. In these provinces, when you are ready to draw an income from the Plan, you need to transfer your account balance to a financial institution of your choice.

To Qualify

As an active member of the Pension Plan, or a former member who has not withdrawn money from the Plan, you qualify for the Plan's Internal LIF option if you:

- Are no longer contributing to the Plan.
- Are at least 55 years old.
- Your pension account balance at your retirement is above 20% of the Year's Maximum Pensionable Earnings (YMPE). The YMPE in 2026 is $74,600.

How to apply for the Pension Plan's Internal LIF

To apply for the Plan's Internal LIF, when you elect to retire, you would choose the Internal LIF option and submit your election, along with all other applicable forms or documents as outlined in your retirement application package.

Questions? Phone: 1-888-278-9003 Email: pension@ndtbenefits.org