

# NATIONAL SOCIAL SECURITY AND INSURANCE TRUST



## Retirement And Old Age Benefits

“ LEAN ON NASSIT ”

## NASSIT PENSIONS

The National Social Security and Insurance Trust (NASSIT) is the National Social Security Scheme that insures all workers in the Public, Private and Self-Employed sectors in Sierra Leone against the following contingencies;

- Old Age
- Invalidity
- Death

## INTRODUCTION

Social Security is a body of Public measures put in place by the State to protect its members against loss of income caused by the occurrence of any of the following contingencies;

Old Age, Invalidity, Death, Health, Medical, Family Support/Maintenance, Unemployment, Unemployment Injuries, and Maternity.

## WHAT IS OLD AGE OR RETIREMENT PENSION

This is income replacement at the onset of old age, that is sixty years, which is the National Retirement Age. There are two types of Old Age Pension

- a) Full Pension
- b) Reduced/ Voluntary Pension



## FULL PENSION (Qualifying Conditions).

- To qualify for full Old Age pension, a contributor must have attained 60 years.
- Fifteen years contribution to the Fund will earn a member 30% of the average of the best five years earning.
- Every additional year will earn the member 2% Credit per year. And the member can earn up to 80% credit. For example:
- If a member contributes for twenty-five years, the first fifteen years will earn the contributor 30%. And the remaining 10 years will earn him/her  $2\% \times 10\text{yrs} = 20\%$ . In this example, the contributor will be paid 50% of the average of his best 5 years earning.

## HOW TO CALCULATE FULL PENSION.

- Multiply the average of your best (5) five years salaries by your pension credit earned, plus any credits assigned by NASSIT as validated past services where applicable.
- For example: Add your best five years salaries together and divide by 5.
- $A + B + C + D + E = X$ 
  - 5

= Average of 5 best salaries. Credits earned is number of years contributed multiplied by 2.

## OLD AGE GRATUITY

- Another benefit, Old Age gratuity a lump sum equal to twelve months of initial pension is payable as gratuity on the retirement of each person entitled to Full and Reduced pensions.

## REDUCED PENSION

The monthly pension for a voluntary retirement is paid to Contributors who decide to retire before the National Retirement Age.

### QUALIFYING CONDITIONS

- You must be 55 and above but below 60 years.
- You must have made a minimum contribution of 180 months in aggregate
- A minimum contribution of 180 months (i.e. 15 years) gives a Pension Right of 30% and every additional year attracts an additional 2% per year.
- The Pension Right will be reduced by 4% for every year below age 60.

The monthly pension for an early retirement shall be computed using the formula below

### FORMULA FOR REDUCED PENSION

Age	55	56	57	58	59
Reduced by%	20	16	12	8	4

## HOW IS PENSION PAID?

Three months before the Retirement Age of sixty, NASSIT will send to the contributor to confirm details on



NASSIT database. This must be endorsed and returned quickly to NASSIT, to ensure that payment is made on the 60<sup>th</sup> birthday. The first pension payment is Old Age gratuity, which is a total of twelve monthly pensions i.e Pension x 12 months=Gratuity. Pension is paid at the end of every month till death when it reverts to the spouse(s) and dependant children (child). The Trust shall cease payment when spouse dies, remarries, or children are above the age limits of 23 years (in formal education) and 18 years (not in education)

### **WHAT HAPPENS IF A MEMBER DOES NOT QUALIFY FOR PENSION?**

Those who cannot make the minimum qualifying period of 15 years have two options:-

- To make up for the short fall in the number of years, credits can be purchased based on the number of years needed to make minimum qualifying period.
- For those who have existing schemes but do not wish to use monies from their existing schemes to purchase credits will be entitled to pension grant at retirement

### **RETIREMENT GRANT.**

Where you have not made the minimum contribution period of 180 months but have reached the age of retirement you will be entitled to a lump sum payment, which is 1.5 times average monthly insurable earnings for every year worked



### **WHAT HAPPENS IF A MEMBER TRAVELS ABROAD?**

If a member travels abroad or is temporarily out of job, he/she does not lose the acquired credits but continues to contribute on return or assumption of duty, if eligible. When a contingency occurs, benefit can be paid in Sierra Leone to a dependant or bank appointed by the member

**If you have any queries about the information in this brochure, please contact any of the following offices:**

Public Affairs Department

Head Office: 35a Lightfoot Boston Street, Freetown  
Tel 225365, Fax 220362 , P.O. Box 29

Western Area Office: Ground Floor, Guma Building  
Tel 223763

Northern Region Office: 27 Lady's Mile, Makeni

Southern Region Office: 11 Bojon Street Bo Tel:  
032260/ 032293

Eastern Region Office: 2 Sahara Street, Kenema.

*Designed by Media Solutions*

