



Please read pages 1, 2 and 4 before completing the attached form.

Why would I purchase service?

By purchasing service you increase the number of years that count toward your pension. This could get you an unreduced pension and increases the amount of your benefit at retirement. This application package will help you understand this process.

Who can purchase service?

You may be able to purchase service if:

- you are currently a member of the Public Service Pension Plan, and
- the service was with the Public Service Pension Plan.

What are the deadlines for purchase?

There is a five year deadline for all purchase types. You must apply to purchase before leaving your current employer. **For deadlines**, see the applicable [fact sheet](#) on the website or contact the pension plan.

What are the types of eligible service?

Leaves of absence: Time you were away on approved leaves, including: maternity, parental, adoption, compassionate care and general leaves.

Arrears: Period of time when you were eligible to make pension contributions but your employer didn't begin deducting contributions.

Past service: Period of time when you worked with your employer before your employer joined the Public Service Pension Plan.

Non-contributory service: Service in which you worked for a Public Service Pension Plan employer but didn't contribute to the plan, such as during a probationary period, or casual work prior to joining the pension plan.

For more information see the applicable [fact sheets](#) on the website or contact the pension plan.

What information do I need?

To begin with, you need to know the dates of the service in question.

If your employer does not have records related to the period of service, you may also need: employment letters, leave approvals, timesheets, cheque stubs, T4s, public account records, employment insurance record of employment forms, letters from Canada Revenue Agency or the Canada Pension Plan.

What service can't I purchase?

Not all service is available for purchase. For instance:

- You cannot purchase service while on an approved Group Disability Plan (LTD).
- You cannot purchase service that exceeds income tax limits for pension and RRSP contributions—note that you may wish input from a financial advisor (see "*Tax considerations?*" on Page 4).

How much will it cost?

For a more accurate estimate of the purchase cost and the increase to your pension see our [Purchase Cost Estimator](#) available on the website. Or, use the simple table below.

To estimate the cost of purchasing service you will need to know your full-time equivalent monthly salary. This is the amount of salary you would earn if working full-time. You will find the formula for converting part-time hours into full-time equivalent on page 4 or on the website.

	Example
Your current full-time gross monthly salary (or full-time equivalent if part-time)	\$4,200
Percentage of full-time employment during purchase period	X 100%
Number of months available to purchase	X 6
Contribution rate (employee/employer combined)	X 20.36%
Estimated cost to purchase the service	= \$5,131
Maternity/parental/adoption/compassionate care leave or arrears (if applicable)	÷ 2 = \$2,565

(NOTE: Dividing by two assumes member and employer shares are both 50%)

How much will it increase my pension?

Use the table below to estimate how much your monthly pension benefit may increase for every month of service you purchase. Multiply the approximate monthly increase by the number of months. This is an estimate of the lifetime pension payable, assuming you retire with the average annual earnings shown.

Average Annual Earnings at Retirement	Approximate Monthly Increase
\$30,000	\$2
\$40,000	\$3
\$50,000	\$5
\$60,000	\$6
\$70,000	\$7
\$80,000	\$9
\$90,000	\$10
\$100,000	\$12
\$110,000	\$13

What are the next steps?

- To purchase service complete Part A of the attached *Purchase of Service Application*; copy and attach all necessary documents.
- Send everything to your employer, who will complete Part B and send it to the Public Service Pension Plan.
- For payroll arrears only: Ensure that if the period being purchased was worked with a former employer that you first send them the application. After they've completed Part C, forward the application to your current employer (note that if your former employer no longer exists you must provide proof of that employment to your current employer).

How do I pay for my purchase?

Don't send money at this time. You will receive an invoice that notes the payment due date, and any other necessary documents, from the pension plan. You may pay for your purchase by RRSP transfer, cheque, money order, bank draft or a combination of these options. For more information see the applicable [fact sheet](#) available on the website or contact the pension plan.

Need help?

More information is available by contacting your employer or the pension plan. You may also refer to the website.

Contact Information: Questions can be directed to your employer or contact us at:

Public Service Pension Plan

PO Box 9460
Victoria BC V8W 9V8

Location 2995 Jutland Road, Victoria

Victoria 250 953-3033
Toll-free in Canada/U.S. 1 800 665-3554

Fax 250 953-0425
Email PSPP@pensionsbc.ca
Web pspp.pensionsbc.ca

Freedom of Information and Protection of Privacy Act—The personal information on this form is collected under the authority of the *Public Sector Pension Plans Act* and will be used by the Pension Corporation to administer a plan member's pension and other non-pension benefits. If you have any questions about the collection and use of this information, contact the Privacy Officer at 2995 Jutland Road, Victoria BC V8T 5J9 or by telephone at 250 387-1002.

PURCHASE OF SERVICE APPLICATION

PENSION PLAN USE ONLY
PERSON ID

INSTRUCTIONS FOR PLAN MEMBER

- Read pages 1, 2 and 4 before completing this form.
- Do **not** send payment; the pension plan will send you an invoice.
- Complete part A, copy and attach all required documents, then forward this form to your employer.
- Refer to *What are the next steps?* on page 2 if the service being purchased was worked with a former employer.
- Direct questions to your employer, or contact us (see page 2 for contact information).

PART A To be completed by the **PLAN MEMBER** – please print clearly

PLAN MEMBER LAST NAME	FIRST NAME AND INITIAL (if any)
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MAILING ADDRESS (include street, city or town, province and postal code)

DAYTIME PHONE (include 10 digits)	E-MAIL (optional)	DATE OF BIRTH YYYY / MM / DD
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TYPE OF PURCHASE (separate application required for each purchase type) – please check (✓) ONE of the types below			
LEAVE OF ABSENCE YYYY / MM / DD <input type="checkbox"/> MATERNITY (child date of birth) _____ <input type="checkbox"/> PARENTAL (child date of birth) _____ <input type="checkbox"/> ADOPTION (adoption date) _____	<input type="checkbox"/> COMPASSIONATE CARE <input type="checkbox"/> GENERAL LEAVE (more than 30 calendar days) <input type="checkbox"/> GENERAL LEAVE (less than 30 calendar days) <small>(Employer pays their portion per Public Service Pension Plan Rules)</small>	ARREARS <input type="checkbox"/> ENROLMENT <input type="checkbox"/> PAYROLL ERROR <input type="checkbox"/> NON-CONTRIBUTORY SERVICE <input type="checkbox"/> PAST SERVICE	
PERIOD OF SERVICE APPLYING TO PURCHASE EMPLOYER NAME DURING PURCHASE PERIOD		START DATE YYYY / MM / DD	END DATE YYYY / MM / DD
AMOUNT OF SERVICE APPLYING TO PURCHASE			Did you contribute to a registered pension plan with any other employer during this period? <input type="checkbox"/> YES <input type="checkbox"/> NO
<input type="checkbox"/> FULL-TIME <input type="checkbox"/> PART-TIME (indicate percentage) _____ %	OR	PENSIONABLE SERVICE MONTHS	CONTRIBUTORY SERVICE MONTHS
PLAN MEMBER SIGNATURE – I understand that I must meet all eligibility requirements in order to purchase this period of service.			DATE SIGNED YYYY / MM / DD

PART B To be completed by **CURRENT EMPLOYER** – please print clearly – refer to employer manual for clarification

CURRENT EMPLOYER NAME	CONTACT PHONE (include 10 digits)	EMPLOYER NO. (include 5 digits)
CURRENT ANNUAL PENSIONABLE SALARY – (full-time equivalent pensionable salary must be completed by current employer) \$		OR <input type="checkbox"/> CHECK (✓) IF PLAN MEMBER IS CURRENTLY ON GROUP DISABILITY (e.g., LTD)
FOR CURRENT YEAR REQUESTS Indicate the amount of pensionable service earned but not yet reported to the plan. MONTHS	FOR LEAVE OF ABSENCE REQUESTS Indicate the amount of pensionable service earned during the purchase period (e.g., Maternity top up, partial leaves), if applicable. MONTHS	

CURRENT EMPLOYER CERTIFICATION – By signing this form I certify that I am an authorized signing officer for the employer indicated above. I also realize that by signing this form it is irrevocable and I accept the respective employer responsibility. I certify that the information completed in Parts A and B of this form are true, complete and correct to the best of my knowledge.

AUTHORIZED SIGNING OFFICER (print name)	AUTHORIZED SIGNING OFFICER TITLE	AUTHORIZED SIGNING OFFICER SIGNATURE	DATE SIGNED YYYY / MM / DD
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PART C FOR PAYROLL ARREARS ONLY. To be completed by **FORMER EMPLOYER**, if required – please print clearly

This part is to be completed by the former employer for payroll arrears pertaining to them in Part A above.

FORMER EMPLOYER CERTIFICATION – By signing this form I certify that I am an authorized signing officer for the employer indicated above. I also realize that by signing this form it is irrevocable and I accept the respective employer responsibility. I certify that the information completed in Parts A and C of this form are true, complete and correct to the best of my knowledge.

AUTHORIZED SIGNING OFFICER (print name)	AUTHORIZED SIGNING OFFICER TITLE	AUTHORIZED SIGNING OFFICER SIGNATURE	DATE SIGNED YYYY / MM / DD
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PART D FOR NON-CONTRIBUTORY SERVICE ONLY. To be completed by **CURRENT EMPLOYER**, if required – please print clearly

- Did an employee/employer relationship exist during the period of non-contributory service? YES NO
- Did the member receive compensation in lieu of contributing to a registered pension plan during the period of non-contributory service? YES NO

By signing below, I certify the information in this section is correct. See Page 4 for details.

AUTHORIZED SIGNING OFFICER (print name)	AUTHORIZED SIGNING OFFICER TITLE	AUTHORIZED SIGNING OFFICER SIGNATURE	DATE SIGNED YYYY / MM / DD
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NOTES

Contributory service—Number of months you (and your employer) made contributions to the plan. It is used to determine if you are eligible for a pension and whether your pension will be reduced should you decide to retire before normal retirement age. You earn one month of contributory service for any month in which you and/or your employer make the required contribution for that time.

Deadlines

- **Arrears**—You have five years from receiving the notice of arrears or until termination of employment, whichever is earlier, to apply to purchase the arrears period.
- **Leave of Absence**—You must apply to purchase your leave within five years of the end of the leave or termination of employment, whichever is earlier.
- **Non-Contributory Service**—You must apply within five years from the time contributions commenced or termination of employment, whichever occurs first.
- **Past Service**—You must apply within five years from the time contributions commenced or termination of employment, whichever occurs first.

Full-time equivalent—The amount of salary you would earn if you were working full-time. Divide the current full-time gross monthly salary you are paid by the percentage of part-time you are working. Multiply by 12 to determine the full-time equivalent annual salary. You can determine the percentage of full-time by dividing the hours you work into the hours a full-time member works. The full-time hours vary by employer and job so contact your employer if you need details.

Example: You are working 30 hours per week and a full-time employee works 40 hours per week: 30 divided by 40 equals 75%.

You earned \$3,150 last month: \$3,150 divided by .75 equals \$4,200.

\$4,200 is the full-time equivalent monthly salary.

\$4,200 multiplied by 12 equals \$50,400 and is the full-time equivalent annual salary.

Non-contributory cost—If an employee/employer relationship existed during the period of non-contributory service and you did not receive compensation in lieu of contributing to a registered pension plan, then your employer is responsible for the employer portion of the purchase cost. In all other cases, however, you are responsible for the entire cost when purchasing non-contributory service.

Pensionable Service—The actual time you worked while contributing to the plan. You earn one full month of pensionable service when you work full time for a month. If you work half time, you receive half a month of pensionable service. Pensionable service is used to determine your benefit amount.

Tax considerations? When you purchase service the value of your pension increases. Canada Revenue Agency (CRA) places limits on how much you can deduct for contributions made to RRSPs and registered pension plans. If you purchase service that occurred in 1990 or later the pension plan will contact CRA for approval of past service pension adjustments and report any amended pension adjustments. Generally, if you pay for your purchase by RRSP transfer there are no tax implications, though you should always seek the advice of a qualified financial advisor. More information is available on [CRA's website](#).