

Civil Service Superannuation Fund

APPLICATION TO PURCHASE SPECIAL SERVICE BUY BACK

Special Service Buy Back (SSBB) allows employees to purchase eligible periods of employment that are not already pensionable and are no longer eligible for purchase under the pension plan's other service purchase arrangements.

What kind of service is eligible for SSBB?

- Leaves of absence or lay-off.
- Part-time or casual service during which the member did not contribute to the Fund. For example, if a member worked part-time for 0.6000 of a year, the remaining 0.4000 of a year would be eligible for SSBB.
- Maternity, parental and education leaves or any other eligible service that the member did not purchase at the time.
- Previous pensionable service in the plan that had been refunded to the member.

The service must have been with an employer who was participating in the pension plan, and who is still participating in the pension plan at the time of application.

Periods of contract employment and deferred pension accounts are not eligible. Income Tax legislation limits the amount of eligible service that can be purchased.

How much will it cost me?

The cost to purchase service through SSBB is the full actuarial cost based on your salary, age and actuarial assumptions in effect at the date of application. The employee pays the full cost, with no employer funding.

When you apply for SSBB, we will determine the cost of the purchase and provide that information to you in writing.

You can also get an approximation of the cost by referring to the chart at www.cssb.mb.ca under Employees – Purchase of Service.

How would this affect my pension?

Increasing your pensionable service through SSBB will increase your pension. An estimate of the resulting pension increase will be included with the cost information, to help you decide if it's worthwhile for you to purchase the service.

You can also get an approximation of the increase by referring to the chart at www.cssb.mb.ca under Employees – Purchase of Service.

The material provided in this Fact Sheet is intended to summarize information on a general basis only and does not replace getting specific information relevant to your personal situation or circumstances.

When and how can I apply?

You may apply for SSBB at any time prior to ceasing employment by completing the attached application form and submitting it to the Board office.

How long will it take to process my application?

Typical processing time is between 8-10 weeks but may take longer if we require information from your employer. Cost information will be mailed to your home address, or sent electronically to your Document Centre if you are registered for online services.

Is it mandatory to contribute for this service once I've applied?

No. Once we provide you with information on the cost of the purchase, you can decide whether you want to proceed with the purchase, and whether to pay for all or only a portion of the service buyback. You can reapply to purchase any remaining eligible service any time before ceasing employment.

How can I pay for the SSBB?

You can pay for the buyback through one or more of the following methods:

- Lump sum payment (personal cheque)
- Direct transfer from your Registered Retirement Savings Plan (RRSP) or a Manitoba Locked-In Retirement Account (LIRA)
- Transfer of vacation pay out or severance pay
- Bi-weekly installments:
 - The minimum bi-weekly payment is the greater of 4% of bi-weekly earnings or the amount necessary to purchase this service over a maximum of 10 years
 - You can apply lump sum amounts to bi-weekly instalments and pay down the principal earlier.
 - You can cancel the bi-weekly payment arrangement at any time.

Are there tax implications?

Purchasing service for employment after 1989 creates a Past Service Pension Adjustment (PSPA), which will reduce your RRSP room. As a result, approval from Canada Revenue Agency (CRA) is required for these purchases. Qualifying transfers from an RRSP or Manitoba LIRA can reduce this PSPA.

Lump sum and bi-weekly amounts paid to purchase service may be tax deductible. Questions regarding tax implications should be directed to CRA at 1-800-959-8281.

Questions?

The Board's staff is available to provide information and answer questions about the plan and your entitlements. The Board's staff can be contacted by:

E-mail: askus@cssb.mb.ca

Web Page: www.cssb.mb.ca

Fax: 204-945-0237

Phone: 204-946-3200 or Toll Free (Canada): 1-800-432-5134

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The Civil Service Superannuation Fund

Application to Purchase Special Service Buy Back

TO BE COMPLETED BY THE EMPLOYEE

Use this form to request information on the cost to purchase periods of prior employment which were previously non-pensionable.

The cost is based on your salary, age and the Fund's actuarial assumptions as at the date you sign this application.

In the space below, indicate the period(s) of employment for consideration of purchase.

Employer	Department	From (YYYY / MM / DD)	To (YYYY / MM / DD)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Employee Name: _____

Employee Number: _____ Social Insurance Number: _____

Mailing Address: _____

_____ Postal Code _____

Employee's Signature _____ Email Address _____ Date _____

This completed form should be returned to The Civil Service Superannuation Board

By upload through your CSSB Online Services Document Centre

By fax to: 204-945-0237

Or by mail to: 1200-444 St. Mary Avenue
Winnipeg MB R3C 3T1

For CSSB Use Only

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