

# Pension Plan

## Past Service Buyback

The Past Service Buyback provisions provide you with the flexibility to purchase periods of eligible, missed pensionable service at any time up to 60 days prior to termination of your employment or up to 60 days prior to your retirement date.

You may purchase either a portion of, or the full period of missed pensionable service. The cost of purchasing past pensionable service is actuarially determined based on your salary and age on the date you sign the *Past Service Buyback Application Form*.



### Types of Leave & Service Eligible for Past Service Buybacks

**Please Note:**

*Under the Income Tax Act, the total period of service on and after January 1, 1992, that a member may buyback cannot exceed:*

- Five years, and
- A combined maximum of 36 months of parental leave with a maximum of 12 months for any one period of parental leave.

- Unpaid leave of absence (LOA) that does not exceed 54 weeks in duration (or 52 weeks prior to May 31, 2010) and would not be eligible for a Current Service Buyback
- Maternity/parental leave prior to your most recent date of hire (maximum of six months of maternity/parental leave approved by a participating or predecessor plan employer and continuous with your most recent date of hire)
- Period of layoff that does not exceed 54 weeks in duration (or 52 prior to May 31, 2010)
- Period of continuous employment where eligibility requirements were not met
- Period of continuous employment where you chose not to participate in the Pension Plan until a later date
- Casual employment prior to 1984 (no break in employment service)
- Strike period that does not exceed 54 weeks in duration (or 52 weeks prior to May 31, 2010)

### Application & Calculation Process

**Please Note:**

- Any pension contributions made during the period of missed pensionable service will be excluded from the buyback cost.
- If you are (or were previously) on an unpaid LOA/layoff in excess of 54 weeks, HEB Manitoba will adjust the employment service granted for any period greater than 54 weeks accordingly (or for any period greater than 52 weeks prior to May 31, 2010).
- If you are (or were previously) on an unpaid LOA/layoff in excess of 24 months, with no contributions remitted on your behalf to the Plan, your Plan membership will be terminated. No employment service will be granted for the period spent on the unpaid LOA/layoff. Any employment service that was previously granted will be adjusted accordingly and Pension Plan termination options will be sent to you.

To request information about the cost of purchasing your missed period of pensionable service, please:

- Complete a *Past Service Buyback Application Form*, and
- Return the form to your current employer for their verification.

The application form can be obtained from your employer or the HEB Manitoba website at [www.hebmanitoba.ca](http://www.hebmanitoba.ca).

HEB Manitoba will provide a *Past Service Buyback Option Statement* to you, which will include the amount required to purchase the service and the estimated increase to your monthly pension.

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## Payment Options & Deadline Date

You can pay for either a portion of, or the full period of missed pensionable service by cheque, or you can transfer funds from a Registered Retirement Savings Plan (RRSP) by completing and submitting a Canada Revenue Agency (CRA) T2033 form.

If the *Past Service Buyback Option Statement* and payment are not returned to HEB Manitoba by the date indicated on the Option Statement, the buyback cost offered on the statement will expire.

In future, you may again apply to purchase the missed period of pensionable service at any time up to 60 days prior to termination of your employment or up to 60 days prior to your retirement date. However, the cost will be recalculated based on your age and annual salary on the date you sign the *Past Service Buyback Application Form* and therefore, may be higher.

If you do not apply at least 60 days prior to termination of your employment or at least 60 days prior to your retirement date, you will no longer be eligible to apply to purchase missed periods of pensionable service.

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## Tax Information

All pensionable service purchases are subject to the Healthcare Employees' Pension Plan provisions and CRA regulations. Purchasing pensionable service may affect the amount you can contribute to RRSPs. For information on tax implications, please contact a tax or financial advisor, or the CRA.

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## For More Information

Please visit our website at [www.hebmanitoba.ca](http://www.hebmanitoba.ca) or contact us:

**Phone:** (204) 942-6591

**Toll-Free:** 1-888-842-4233 (outside Winnipeg)

**Email:** [info@hebmanitoba.ca](mailto:info@hebmanitoba.ca)

**Mail:** 900-200 Graham Avenue, Winnipeg MB R3C 4L5

