

Types of Service Available for Purchase

Service Available for Purchase	Cost
<p>Previously Refunded Service - “Contributions + Interest”</p> <ul style="list-style-type: none"> From the PSSRP or the former <i>Public Service Superannuation Act</i> Pension Plan (PSSA) From the New Brunswick Teachers’ Pension Plan (NBTPP) or the former <i>Teachers’ Pension Act</i> Pension Plan (TPA) - (Post 1991 service) 	<p><u>Greater of:</u> 1 X Current Contribution Rate Or Adjusted Termination Value (applicable if member is rehired beyond three years of the date of termination of employment or if the service is purchased beyond one year of rejoining the NBPSPP)</p>
<p>Previously Refunded Service - “Contributions + Interest”</p> <ul style="list-style-type: none"> From other pension plans sponsored by the province* (Post 1991 Service) From a Government in Canada (Post 1991 Service) 	<p><u>Greater of:</u> 1 X Current Contribution Rate Or Adjusted Termination Value</p>
<p>Previously Refunded Service - “Commuted Value or Termination Value”</p> <ul style="list-style-type: none"> From the NBPSPP From other pension plans sponsored by the province** (Post 1991 Service) From a Government in Canada (Post 1991 Service) 	<p><u>Greater of:</u> 1 X Current Contribution Rate Or Amount of Commuted or Termination Value Refund plus interest Or Adjusted Termination Value</p>
<p>Other Periods of Past Service</p> <ul style="list-style-type: none"> Prior non-contributory full-time and part-time service Authorized leaves without pay (e.g. Maternity Leave) Long Term Disability Waiting Period MLA Service (Post 1991 Service) 	<p><u>Greater of:</u> 1 X Current Contribution Rate Or Adjusted Termination Value (not applicable if member is purchasing an authorized leave without pay within one year of recommencing contributions in the NBPSPP)</p>

*Includes: Shared Risk Plan for Certain Bargaining Employees of NB Hospitals, Shared Risk Plan for CUPE Employees of NB Hospitals, Pension Plan for General Labour, Trades and Services Employees of NB School Districts, Pension Plan for Full-Time CUPE 2745 Employees of NB School Districts, *Provincial Court Judges’ Pension Act*, and *Provincial Court Act*.

**Includes: Shared Risk Plan for Certain Bargaining Employees of NB Hospitals, Shared Risk Plan for CUPE Employees of NB Hospitals, Pension Plan for General Labour, Trades and Services Employees of NB School Districts, and Pension Plan for Full-Time CUPE 2745 Employees of NB School Districts

Contribution Rates: 7.5% up to YMPE; 10.7% above YMPE

YMPE for 2021: \$61,600

Year’s Maximum Pensionable Earnings (“YMPE”): The YMPE is an amount set by the federal government and it increases every year. It is the maximum earnings level used to determine contributions to the Canada Pension Plan (CPP).

Cost to Purchase Service

The cost to purchase prior periods of service under the NBPSPP varies depending on the type and period of service being purchased. The cost to purchase service (except for certain previously refunded service and authorized leaves without pay — see “Types of Service Available for Purchase” section on previous page) is **the greater of:**

Adjusted Termination Value or Current Contribution Rate

ADJUSTED TERMINATION VALUE

This is an actuarial calculation that produces the maximum value for the associated service based on a number of plan assumptions. This is the true cost to the pension plan of providing the service. A member's age and salary at the date of calculation are important factors in the calculation. An Adjusted Termination Value calculation takes place when a member wishes to purchase service or transfer service under a reciprocal transfer agreement.

CURRENT CONTRIBUTION RATE

In the context of Purchase of Service, this is the required contributions for the period being purchased based on the NBPSPP contribution rate and the member's earnings in effect at the date of application.