



PURCHASE OF SERVICE UPDATE

The Board of Trustees of the New Brunswick Public Service Pension Plan (NBPSPP) has introduced new purchase of service rules which will benefit members looking to purchase certain types of past service.

WHY SHOULD I PURCHASE SERVICE?

Purchasing service **increases your pension at retirement.**

It's advantageous to purchase prior service as soon as possible since the cost increases based on your age and salary.



WHAT ARE THE NEW PROVISIONS?

1

The rules for calculating the cost to purchase periods of authorized leaves of absence without pay have changed. The cost will depend on when you apply to purchase the period of service.

If you apply to purchase the authorized leave of absence:

- **Within one year of returning to work**, the cost is based on one times (1x) current employee contributions.
- **More than one year after returning to work**, the cost will be the greater of one times (1x) employee contributions or an actuarial calculation that is based on both your salary and age.

2

Members are now able to purchase the following types of service:

- Previously refunded "commuted value" / "termination value" post-1991 service from any Public Service plan with the Government of Canada (including any federal Crown corporation or Agency), or any Public Service plan with the Government of a Province or Territory of Canada; and
- Previously refunded "termination value" post-1991 service from the New Brunswick Teachers' Pension Plan.

All other purchase of service rules under the NBPSPP remain unchanged.

WHERE CAN I FIND MORE INFORMATION?

Find out more about the various types of service available for purchase by [clicking here](#) or visit vestcor.org/nbpspp

HOW CAN I APPLY?

To apply for a purchase of service, contact your employer and fill out an application form.

Within 60 days of applying, you'll receive information from Vestcor Pension Services Corporation outlining:

- The cost to purchase the service;
- The amount of pension associated with the period of service to be purchased;
- Payment options; and
- Important deadlines.

