



Buying Prior Service

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Buying Prior Service

The Plan allows a member to increase their future pension by buying prior service.

Examples of prior service could include previous employment with the member's current employer and previous employment with an employer who participates in another eligible Registered Pension Plan (RPP). Prior Service is considered a non-leave without salary.

For more information on members purchasing prior service visit: [Buying Prior Service](#)

Employer Activities

The Employer must:

- advise the member that they may be able to increase their pensionable service by purchasing buyback service;
- advise the member that they may be able to obtain a rough estimate of the cost to purchase their service using the Purchase of Service Estimator on the Plan website (for service purchased on an actuarial reserve cost basis only);
- provide either the Contributions-Based Cost Application or the Actuarial Reserve-Based Cost Application depending on the type of service the member wishes to apply for and complete the applicable employer sections.;
- facilitate the member's payment by either setting up the necessary payroll deduction or accepting payment(s) directly from the member in accordance with the payment option chosen by the member;
- [remit](#) the first payment (in the case of an instalment arrangement) or the entire payment (in the case of a lump sum payment) by the first payment due date set out in the Election to Purchase using the Buyback Payment transaction;
- remit employer contributions in accordance with the employer's payment options as set out in the employer's Election to Purchase if the employer is liable for any portion of the cost of the optional service purchase; and
- monitor the [Periodic Reporting of Buyback Contracts](#) report for action items related to the member's application.

If the employer pays their portion in full and the member does not complete payment of the application, the amount of any overpaid employer portion will be returned to the employer.

Service with Separate Employer

If the service was performed with a separate employer instruct the member to send their former employer the relevant service record form with instructions for the former employer to complete them and return them to the member.

[Contributions Based Cost Application](#)

[Actuarial Reserve Cost Application](#)

If the former employer no longer has service records available, provide the member with a [Request for Statutory Declaration form](#) and explain the secondary evidence procedure.

Secondary Evidence Procedure

Where a former employer indicates that the service records required for a member's service purchase application are not available or cannot be found, the member may be able to provide other acceptable evidence of employment. The procedure to follow will differ, depending on whether or not the former employer is able to verify details of the member's employment.

Former Employer Can Verify

If the former employer can verify general facts about the member's employment, the member must:

- request a [Request for Statutory Declaration form](#) from the current employer and complete the declaration, indicating:
 - the dates of service (from and to);
 - whether the employment was part-time or full-time and the approximate number of days or hours worked per year; and
 - the salary rate paid to persons of the same or a similar employment category during the employment period;
- sign the declaration before a Commissioner for Oaths or Notary Public for the Province of Alberta, or a similar official in another jurisdiction;
- attach any supporting documentation such as T4 slips, income tax returns, pay stubs and time cards; obtain a statement from the former employer that:
- explains why a service record cannot be completed;
 - indicates whether the member contributed to a registered pension plan during the service;
 - verifies that the member was employed for the approximate period stated in the member's statutory declaration; and
 - identifies the salary paid to employees in the same or a similar occupational group or class of employment during the employment period; and
- return the above documents to the current employer, who will submit them with the Service Record (Actuarial Reserve-Based Cost Application) (137) form to PSPP's administrator, APS.

Former Employer Cannot Verify

If the former employer cannot verify general facts about the member's employment and salary, the member must:

- request from the current employer a [Request for Statutory Declaration form](#) and complete the declaration, indicating:
 - the dates of service (from and to);
 - whether the employment was part-time or full-time and the approximate number of days or hours worked per year; and

- the salary rate paid to persons of the same or a similar employment category during the employment period;
- sign the declaration before a Commissioner for Oaths or Notary Public for the Province of Alberta, or a similar official in another jurisdiction;
- attach any supporting documentation such as T4 slips, income tax returns, pay stubs and time cards;
- obtain a statement from the former employer explaining why the member's service cannot be verified;
- obtain statutory declarations (using the [Request for Statutory Declaration forms](#)) from two impartial persons with knowledge of the member's employment. The declarations must:
 - verify the general facts about the member's employment;
 - indicate how the individuals know about the member's employment;
 - confirm that the employment was full-time or part-time, and provide the approximate number of days or hours worked per year and the rate of salary paid to individuals of the same or a similar employment category during the employment period; and
 - be signed before a Commissioner for Oaths or Notary Public for the Province of Alberta, or a similar official in another jurisdiction; and
- return the above documents to the member, who will submit them with the Service Record (Actuarial Reserve-Based Cost Application) (137) to the current employer who will complete section II and forward to APS.

Ineligible Service

The following types of service are ineligible for purchase in the Plan:

- pensionable service that remains to a member's credit in the Plan (that is, the entitlement associated with that service has not been paid out). In this case, the service would be connected with any subsequent periods of pensionable service;
- service that is otherwise eligible but, if purchased, would result in a member accruing more than 35 years of Combined Pensionable Service;
- part-time employees cannot purchase service to become full-time members.
 - For example, a member who is hired at half time will only get credit for 0.5000 years of service, they cannot purchase an additional 0.5000 to receive a full 1.0000-year service credit;
- service that is credited in another RPP and the funds have not been removed;
- service that does not fall within either category of eligible service; and
- service where there was no employee/employer relationship, such as work performed as an independent contractor.