

Alberta Sheet Metal Worker's Retirement Plan Past Service Purchase

Purchasing Past Service gives you the opportunity to increase the amount of your pension benefit earned with the Alberta Sheet Metal Worker's Retirement Plan. If you are interested in maximizing your pension benefit, contact the Administration office for a Past Service calculation which will provide a history of your years of membership, the benefit you earned in each year of membership and the additional lifetime monthly benefit you can earn in each year of membership.

This Plan feature must comply with Canada Revenue rules. The **maximum** amount of Past Service you can purchase and receive a tax deduction in **any one calendar year** is **\$3,500**. You **do not** have to pay the maximum for any one year, but rather you can pay whatever you can afford, up to \$3,500. The calendar year maximum of \$3,500 will earn you an additional monthly lifetime benefit payable on retirement at age 60 (based on the Joint & Last Survivor Standard Form of pension). If you retire on or after age 57, Supplementary pension, equal to 50% of your monthly lifetime benefit, is calculated on the additional lifetime benefit you purchased.

Effective January 1, 2018 the charge for Past Service is based on your age as follows;

Age At Dec 31st	Cost per hour	Amount of Monthly Lifetime Benefit \$3,500 Purchases	Age At Dec 31st	Cost per hour	Amount of Monthly Lifetime Benefit \$3,500 Purchases
20	\$4.37	\$33.16	43	\$8.08	\$17.93
21	\$4.48	\$32.34	44	\$8.30	\$17.46
22	\$4.61	\$31.43	45	\$8.53	\$16.99
23	\$4.73	\$30.63	46	\$8.76	\$16.54
24	\$4.86	\$29.81	47	\$8.99	\$16.12
25	\$4.99	\$29.04	48	\$9.24	\$15.68
26	\$5.13	\$28.25	49	\$9.49	\$15.27
27	\$5.27	\$27.50	50	\$9.74	\$14.88
28	\$5.41	\$26.78	51	\$10.01	\$14.48
29	\$5.56	\$26.06	52	\$10.28	\$14.10
30	\$5.71	\$25.38	53	\$10.55	\$13.73
31	\$5.86	\$24.73	54	\$10.84	\$13.37
32	\$6.02	\$24.07	55	\$11.13	\$13.02
33	\$6.18	\$23.45	56	\$11.43	\$12.68
34	\$6.35	\$22.82	57	\$11.60	\$12.49
35	\$6.52	\$22.22	58	\$11.60	\$12.49
36	\$6.70	\$21.63	59	\$11.57	\$12.52
37	\$6.88	\$21.06	60	\$11.34	\$12.78
38	\$7.07	\$20.50	61	\$10.92	\$13.27
39	\$7.26	\$19.96	62	\$10.48	\$13.83
40	\$7.46	\$19.42	63	\$10.04	\$14.43
41	\$7.66	\$18.92	64	\$9.58	\$15.13
42	\$7.87	\$18.41	65	\$9.24	\$15.68

1. You may purchase Past Service benefits for any year an Employer contributed to the Plan on your behalf. You cannot purchase beyond \$86.94 per month lifetime pension for each year.
2. Canada Revenue also places a limit on the total amount of monthly pension you can earn. The maximum benefit is calculated at \$86.94 /month for each year that hours were received, plus your 1992-benefit increase (if applicable). We will calculate your maximum monthly lifetime benefit to ensure you do not exceed this amount.

Past Service Purchase – continued

Past Service purchases are tax deductible for the year in which the purchase is made, *provided* the payment is made ***before December 31st***. We recommend that your initial Past Service purchases be applied to the years before 1990, if possible. Any purchases applied to service after 1989 will reduce the amount you can contribute to a RRSP.

You may also purchase Past Service by transferring funds from an individual RRSP or another Registered Pension Plan. In the case of funds being transferred in, the maximum of \$3,500 per calendar year is not applicable, however, the limitations (#1 and #2) outlined above still apply.

You will not receive an income tax deduction if you purchase Past Service by rolling in funds from a RRSP or another Registered Pension Plan.