

**APPLICATION FOR
DEFERRED SALARY PLAN**

1. Application

Last Name	First Name	Initial
Address		
		Postal Code
Department	Division	Section
Classification/Working Title		Position Number
Employee Number		Phone # (work)

2. Deferred Salary Options (Choose one)

During the period of this agreement, which is (mm / dd / yy) / / to (mm / dd / yy) / /
the employee chooses to take:

- i) ____ one (1) year leave of absence with part pay by spreading two (2) years' salary payments over three (3) yrs, or
- ii) ____ one (1) year leave of absence with part pay by spreading three (3) years' salary payments over four (4) years, or
- iii) ____ one (1) year leave of absence with part pay by spreading four (4) years' salary payments over five (5) yrs
- iv) ____ other _____

In accordance with the option selected, the Employing Authority is authorized to deduct ____ percent of my annual gross salary for a period not to exceed _____ months.

All deferred salary shall be retained by the Employing Authority and shall accumulate interest at the rate used for Provincial Deposit Receipts or in an alternate manner approved by the parties to the Collective Agreement when the Provincial Deposit Receipts cease to exist. The interest accumulated to the beginning of the leave of absence will be paid within 30 days of the commencement of the leave.

The annual salary during the leave of absence shall be determined from the total amount of deferred salary which has

accumulated during the term of this agreement. During the leave of absence, the declining balance of the deferred salary will continue to earn interest. The interest accumulated during the leave of absence will be paid within 30 days of the completion of the leave of absence.

An employee may withdraw from this agreement at any time prior to ninety (90) days before the commencement of the leave of absence. Upon employee's notification of withdrawal, any monies accumulated plus interest will be repaid to the employee within 60 days of the notice.

3. Superannuation

Pursuant to section 7(2)b of the Civil Service Superannuation Act R.S.P.E.I. 1988, Cap C-9, a full-time employee participating in this program may opt to have the amount of contributions calculated by reference to the salary the employee would have received if the employee were not participating in this program.

An employee considering joining this program should be aware of the two (2) pension options available.

Option 1: Pay pension contribution on the full salary applicable to the employee over the twelve (12) month period.

Option 2: Pay pension contributions on actual salary received for the twelve (12) month period.

Implications: In Option 1, the employee will have 12 months of pension credit at the end of the 12 month period.

In Option 2, the employee will only have a pension credit equal to the percentage of salary received as compared to the gross salary (e.g. if receiving 75% of gross salary the pension credit is 9 months [12 mos * 75%])

I hereby select Option # _____ regarding superannuation benefits.

Employee's signature

4. General Provisions:

a. During the deferment period, applicable employee contributions for Canada Pension, Union Dues and Group Life Insurance shall be deducted from the portion of my salary remaining after the deferment. Employment Insurance and Group LTD Insurance shall be deducted based on 100% of my salary during the deferment period.

b. During the leave of absence period, applicable employee contributions for Canada Pension, Union Dues and Group Life Insurance shall be deducted from the accumulated deferred salary. Group Life insurance coverage shall be based on the accumulated deferred salary.

c. During the leave of absence, no employment insurance shall be deducted from my accumulated deferred salary. Group LTD coverage will continue for the first three months of the leave of absence. LTD coverage will then cease unless the

employee elects to continue coverage by paying 100% of the premium. Group LTD insurance coverage shall be based on 100% of my salary during the leave of absence.

d. Superannuation contributions are to be deducted in accordance with option selected in Section 5.

e. During the period when the applicant is not working, eligibility to earn and utilized sick leave, special leave or vacation leave provisions of the Collective Agreement are suspended.

f. Withdrawal from the program or any revisions desired will be requested in writing to the Employing Authority.

Date

Employee

I hereby agree to this employee's application.

Date

Supervisor/Manager

Date

Human Resource Manager

Date

Director/Deputy Minister