



Severance Payment

Election Form

(NAPE Locals 7803, 1804, 7804 1809, & 7801)

This form must be completed and returned to Human Resources no later than April 30, 2019. Please read the attached to assist with completing this form.

Employee Information (please print)

Employee ID:	
First Name:	
Last Name:	
Department:	

NAPE Local:

- Campus Enforcement and Patrol (7803 & 1804)
- Custodial (7804 & 1809)
- Maintenance (7801)

Previous Severance and Employment Information:

Have you ever received severance pay from Memorial University?

- Yes \$ _____ No
(amount previously received)

During the course of your employment with Memorial University have you ever:

- Received a Layoff
- Received Long Term Disability
- Previously worked as a member of a different Memorial University Bargaining Unit or in a Non-union position
- Taken an unpaid leave of absence
- Worked in a sessional or contractual position

Severance Payment Direction

Please indicate your choice for severance payment (please read attached information):

- Option 1: Pay to me as a cash payment (no RRSP contribution)
- Option 2: Transfer all severance to an RRSP
- Option 3: Pay as a combination of a cash payment and transfer to my RRSP
Amount of severance to transfer to RRSP: \$ _____
- Option 4: Pay to me at retirement/resignation (Deferred Option)

Note: If an RRSP transfer is elected you will be contacted by Human Resources regarding the completion and submission of the necessary transfer documents.

Please indicate the Quarter in which you would prefer to receive payment:

- | | | |
|--|---------|---|
| <input type="checkbox"/> Quarter 1 (April 1 – June 30, 2019) | Paid on | June 6, 2019 – CEP & Custodial
June 20, 2019 - Maintenance |
| <input type="checkbox"/> Quarter 2 (July 1 – September 30, 2019) | Paid on | September 26, 2019 |
| <input type="checkbox"/> Quarter 3 (October 1 – December 31, 2019) | Paid on | December 19, 2019 |
| <input type="checkbox"/> Quarter 4 (January 1 – March 31, 2020) | Paid on | March 26, 2020 |

The University will use its best efforts to accommodate payment in the quarter chosen by the employee.

Agreement

I hereby confirm that the information provided above is true, complete, and accurate to the best of my knowledge, information, and belief. I further acknowledge that if the University subsequently becomes aware of any material misrepresentation, omission, or falsehood that has resulted in an overpayment of severance, then the value of any such overpayment shall constitute a debt due to the University and shall be recovered accordingly. I have read and understand the above, attached information, and the frequently asked questions document.

Employee Signature

Date

Note: Severance payments will be processed when all forms and information are received, delays in submitting information may impact when payment is issued. Quarter 1 payments will be dependent on volume of requests and will be prioritized based on when all required information is received.

Return the completed form (email or drop off) by April 30, 2019 to:

St. John's Campus
Human Resources
Room: A-4023B

Grenfell Campus
Human Resources
Room: AS374

Marine Institute
Human Resources
Room: E3306

Faculty of Medicine
Human Resources
Room: M2M229

E: severance@mun.ca

Severance Payment

Important Information & Options Summary

Process

Best efforts will be made to pay severance in the quarter elected.

For cash payments, severance will be paid directly to you in the same way you receive your regular pay (i.e. direct deposit). For transfers to an RRSP, you will be contacted by a representative from the department of Human Resources for completion of applicable documents.

Taxation, Deductions, and RRSP Contributions

Your payment will be included in Box 14 of your 2019 T4 slip or 2020 if electing Quarter 4.

Regardless of the payment option selected, there will be mandatory deductions for CPP and EI premiums unless you have exceeded your maximum annual contribution at the time of the severance payment or you are otherwise exempt from CPP deductions.

For cash payments, income tax will be deducted by taking into consideration your expected annual salary.

For RRSP transfers under options 2 and 3, you must have available RRSP room to make the contribution. Arrangements must be made with your financial institution to set up an RRSP account or utilize an existing one. A representative from the department of Human Resources will contact you to discuss the necessary steps and complete the required documentation to make the RRSP transfer. Where a combination of RRSP transfer and cash payment is elected, the cash payment may be made to you prior to completing the RRSP transfer process.

Questions

If you have questions, please first consult the detailed FAQ document. If you have further questions about your severance payment, please send them via email to severance@mun.ca. Please include your employee identification number and a phone number in your email. The Human Resources team will be working to validate and process numerous election forms and related documentation. This involves many steps and is time consuming and we ask that employees be patient during the process.

As your employer, we are not able to answer questions or provide advice regarding your personal financial planning. You are encouraged to seek professional advice regarding your options from a financial or tax advisor based on your personal situation and financial goals.

Questions regarding completion of Canada Revenue Agency documentation or tax implications should be directed to the Canada Revenue Agency at 1-800-959-8281.

Option 1: Cash Only

Description	Severance paid to you as a direct deposit cash payment.	
Mandatory Deductions	Required Documents	
<ul style="list-style-type: none"> Income Tax CPP & EI (unless annual max. reached) Overpayment & garnishment (see FAQs) 	<ul style="list-style-type: none"> Election Form - Return by April 30, 2019 	

Option 2: RRSP Contribution Only

Description	You must have personal RRSP room to contribute the entire amount of your severance. For this option, you may elect to receive your severance in Quarter 2, 3, or 4. RRSP transfers will not be processed in Quarter 1.	
Mandatory Deductions	Required Documents	
<ul style="list-style-type: none"> CPP & EI (unless annual max. reached) Overpayment & garnishment (see FAQs) (Note: Income tax not withheld)	<ul style="list-style-type: none"> Election Form - Return by April 30, 2019 RRSP Transfer documents – HR will contact you regarding applicable documents 	

Option 3: Combination of Cash Payment & RRSP Contribution

Description	You must have personal RRSP room to contribute the severance amount stated on the Election Form. For this option, you may elect to receive your severance in either Quarter; however, if electing Quarter 1, the cash portion will be processed in that quarter and the RRSP portion will be processed in Quarter 2.	
Mandatory Deductions	Required Documents	
<ul style="list-style-type: none"> Income Tax – on cash portion only CPP & EI (unless annual max. reached) Overpayment & garnishment (see FAQs) 	<ul style="list-style-type: none"> Election Form - Return by April 30, 2019 RRSP Transfer documents – HR will contact you regarding applicable documents 	

Option 4: Defer Payment to a later date

Description	Your payment may be made at the later date (e.g. retirement, resignation). The service and salary used in the severance calculation will be frozen at March 31, 2019, there will be no further accrual for severance purposes.	
Mandatory Deductions	Required Documents	
Deducted in accordance with taxation rules at the time of payment.	<ul style="list-style-type: none"> Election Form - Return by April 30, 2019 	