



Mutual Funds

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BMO Mutual Funds
RESP (Advisor)
Redemption Form

BMO Mutual Funds Account # MANDATORY

1. INVESTOR INFORMATION

Subscriber's Last Name

Subscriber's First Name

Joint Subscriber's Last Name (If Applicable)

Joint Subscriber's First Name (If Applicable)

Beneficiary's Last Name

Beneficiary's First Name

Beneficiary's SIN #

Beneficiary's Age

2. COMPLETE FOR RESP REDEMPTION ONLY

Acceptable Proof of Enrollment (for CURRENT Semester), we may require one or more of the following:

- Invoice/Receipt of Payment for "Tuition Fees" with letter head or logo of school, or
• Enrollment Letter from Registrar's Office, or
• Registration Letter from Registrar's Office, or
• Course Timetable for semester (Current Semester)¹

Is the beneficiary a resident of Canada? Yes No (Non-Resident beneficiaries are not eligible for the grant portion of an EAP withdrawal)

Withdrawal for Post-Secondary Education Purpose:²

- ☐ PSE (Post-Secondary Education) Contribution Withdrawal – (Non-Taxable)³ \$
☐ EAP (Educational Assistance Payment) – Grants and Accumulated Earnings Only⁴ – A T4A will be issued to the beneficiary as taxable income for the amount of the payment \$

- 1. See Appendix 1.3 for details.
2. Processed as gross unless otherwise specified.
3. If the PSE amount exceeds the available PSE, the remainder will be taken as an EAP (where permitted).
4. If the EAP amount exceeds the available EAP, the remainder will be taken as PSE (Contribution Withdrawal is payable to Subscriber unless otherwise advised).

Post-Secondary Education Type

- ☐ University
☐ Community College or CEGEP
☐ Private Trade, Vocation, or Career College
☐ Other

Educational Institution:

Institution's Address:

Postal Code (Mandatory)

Academic Year Start Date

Program Enrolled In:

Program Length (in years): Academic Year Length (in weeks) Current Year Enrolled (e.g. 1st, 2nd, etc):

- ☐ Full Time Student ☐ Part Time Student

Please provide proof of Enrollment.

Withdrawal for Non Post-Secondary Education Purposes:

- ☐ Contribution Withdrawal – Capital Only (Non-Taxable) \$
☐ Over Contribution Withdrawal – Contribution Only (Non-Taxable) \$
☐ AIP (Accumulated Income Payment) to RRSP – Accumulated Earnings Only (Form T1171 Required)⁵ \$
☐ AIP (Accumulated Income Payment) to RDSP – Accumulated Earnings Only (Form RC435 Required)⁵ \$
☐ AIP (Accumulated Income Payment) to Cash – Accumulated Earnings Only (Attach a copy of Form T1172 to your income tax and benefit return for the year you received the AIPs)⁵ \$
☐ Donation to Post-Secondary Educational Institution – Accumulated Earnings Only⁶ Name of Institution Address

5. AIP withdrawals are subject to requirements; please refer to Appendix 1.5 for details.
6. See Appendix 1.7 for details.

### 3. REDEMPTION INSTRUCTIONS

FUND NAME	FUND NUMBER	PERCENTAGE	DOLLAR AMOUNT	OR	UNIT AMOUNT
1. _____	_____	_____ %	\$ _____		_____ Unit
2. _____	_____	_____ %	\$ _____		_____ Unit
3. _____	_____	_____ %	\$ _____		_____ Unit
4. _____	_____	_____ %	\$ _____		_____ Unit
5. _____	_____	_____ %	\$ _____		_____ Unit
6. _____	_____	_____ %	\$ _____		_____ Unit
7. _____	_____	_____ %	\$ _____		_____ Unit

**Payment Method (EFT or Cheque):**

**EFT**

Account Holder Name(s) \_\_\_\_\_

Transit No. \_\_\_\_\_ Institution No. \_\_\_\_\_ Account No. \_\_\_\_\_

**Beneficiary Account Information (EAP must be paid to beneficiary)**

Account Holder Name(s) \_\_\_\_\_

Transit No. \_\_\_\_\_ Institution No. \_\_\_\_\_ Account No. \_\_\_\_\_

**Cheque Payment**

Address on file, or  Alternate mailing address (below)

Name \_\_\_\_\_

Mail Address \_\_\_\_\_

City \_\_\_\_\_

Province \_\_\_\_\_ Postal Code \_\_\_\_\_

### 4. PLEASE READ CAREFULLY AND SIGN BELOW

**For RESP Account Withdrawal:**

I /We certify that the above named beneficiary is a Canadian resident for income tax purposes, is currently enrolled as a full-time or part-time student in a qualifying program at a post-secondary educational institution as described in the attached appendix, and that this payment will go towards the costs of post-secondary education.

Furthermore, I/we understand that a capital withdrawal; for non-educational purpose may result in grant repayment up to 40% of the capital withdrawal requested.

Subscriber's Signature \_\_\_\_\_ Joint Subscriber's Signature (If Applicable) \_\_\_\_\_ Date 

Y	Y	Y	Y	M	M	D	D
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Representative's Name (Please Print) \_\_\_\_\_ Representative's Signature \_\_\_\_\_ Dealer/Rep Code \_\_\_\_\_

Representative Telephone Number \_\_\_\_\_

\_\_\_\_\_ Affixed Signature Guarantee Stamp

## APPENDIX

### 1.1 Educational Assistance Payments (EAP)

Once a beneficiary is registered for enrollment in a qualifying educational program at a post-secondary educational institution, as defined in the Income Tax Act (Canada), the subscriber can request an EAP withdrawal.

The beneficiary can receive an EAP while enrolled or within 6 months after ceasing to be enrolled in a qualifying program. Proof of enrollment is required for each and every withdrawal and should be retained in the customer file for audit purposes.

An EAP withdrawal consists of the plan's accumulated earnings, and/or Canada Education Savings Grant (CESG), and/or CLB (Canada Learning Bond), and/or British Columbia Training and Education Savings Grant (BCTESG), and/or Quebec Education Savings Incentive (QESI).

EAP Withdrawals are taxable income for the receiving beneficiary in the year of the withdrawal. As a result, the beneficiary will receive a T4A.

During the first 13 weeks of full-time enrollment, the total of all EAPs cannot exceed \$5,000 (\$2,500 for part-time students) unless formal approval is received from Employment and Social Development Canada (ESDC).

### 1.2 Post-Secondary Education (PSE) Contribution Withdrawal

Once a beneficiary is registered for enrollment in a qualifying educational program at a post-secondary education institution as defined in the Income Tax Act (Canada), the subscriber can request a PSE contribution withdrawal.

PSE withdrawals are non-taxable.

A PSE contribution withdrawal consists of the plan's contributions.

There is no dollar limit to the amount of PSE withdrawn from the plan.

### 1.3 Proof of Enrollment

Proof of enrollment must be provided prior to any EAP or PSE redemption. The document must indicate that the beneficiary has been registered and not merely "accepted" in a qualifying program at a post-secondary educational institution. EAP withdrawals over \$20,000 should be questioned for "reasonableness of expense" (i.e. Customers should be asked to provide receipts for tuition, books, etc. and these should be retained in the customer file for audit purpose).

Proof of enrollments should be one or more of the following:

- Invoice/Receipt of Payment for "Tuition fees" with either a letterhead or logo of school and payment due date and date of receipt, or
- Enrollment Letter from Registrar's Office, or
- Registration Letter from Registrar's Office, or
- Course Timetable for Semester (must come from Registrar's office or print from school's official website with school's internet address clearly indicated and must be within six months of the completed semester).

### 1.4 Qualifying Educational Program

FULL TIME STUDENTS must be enrolled in a program of study in Canada, not less than 3 consecutive weeks in duration (13 consecutive weeks if at a foreign educational institution), that requires not less than 10 hours per week on courses or work.

PART TIME STUDENTS must be enrolled in a program of study in Canada no less than 3 consecutive weeks in duration (13 consecutive weeks if at a foreign educational institution), that requires not less than 12 hours per month on courses.

The program must be at the post secondary school level, including a program offered by an institution certified by the Minister of Employment and Immigration.

### 1.5 Accumulated Income Payments (AIP)

An AIP is a withdrawal comprised of accumulated earnings on all contributions made to the RESP, including accumulated earnings on any Grant payments. An AIP can be paid to the subscriber only when the following conditions are met:

- RESP has been in existence for at least 10 years, and
- Each beneficiary for whom contributions were made has reached 21 years of age and is not eligible for an Educational Assistance Payment (EAP), and
- The subscriber is a resident of Canada, and
- The payment is made to a single recipient (it cannot be paid to joint subscribers), or
- All beneficiaries are deceased.

After an AIP, the RESP must be terminated by the end of February the following calendar year.

- AIP as Cash: Allows the subscriber to receive the AIP as cash. A Cash AIP is considered taxable income under the Income Tax Act (Canada) in the year the payment is received. These payments are subject to two different taxes: the regular income tax and an additional 20% withholding tax (12% for residents of Quebec).
- AIP rollover to an RRSP: Allows the subscriber to transfer the AIP into an RRSP or to a spouse's/common-law partner's RRSP. Provided there is contribution room, a subscriber can transfer up to \$50,000 of AIP's (lifetime maximum) into their own RRSP or to a spouse's or common-law partner's RRSP. The AIP rollover to an RRSP option will not be subject to either regular withholding tax or 20% additional withholding tax.

### 1.6 Contribution Withdrawal

Contributions can be withdrawn from the RESP at any time, with no tax implications. However, a CESG repayment of up to 40% of the withdrawal amount must be paid to the Government of Canada at the time of the withdrawal if the RESP received a CESG and the beneficiary is not attending post-secondary education at the time of the withdrawal.

### 1.7 Donation to Post-Secondary Educational Institution

A subscriber can choose to donate the plan's accumulated earnings to a designated post-secondary educational institution if the beneficiary does not qualify for an EAP, incentives have been repaid to the government, or if the conditions for an AIP withdrawal have not been met.

### 1.8 Overcontribution Withdrawal

Contribution amounts exceeding a beneficiary's \$50,000 lifetime contribution limit can be withdrawn from the RESP. There are no withholding tax implications for this type of withdrawal.