



FRANKLIN TEMPLETON  
INVESTMENTS

# RESP Withdrawal Form

Guide

There are two types of RESP withdrawals:

## 1. Withdrawals for Educational Purposes

This money can be used to help pay for any expenses associated with a beneficiary's post-secondary education.

### TO WITHDRAW FOR EDUCATIONAL PURPOSES, MAIL OR FAX US:

- ✓ An RESP withdrawal form, signed with a signature guarantee stamp
- ✓ Proof of current enrollment

#### What qualifies as proof of current enrollment?

Send us ONE of the following:

- Personalized student timetable
- Letter from the Registrar's Office confirming enrollment
- Current tuition invoice

#### Your withdrawal might consist of two parts:

An Educational Assistance Payment (EAP) and a Post-Secondary Education (PSE) withdrawal

- EAPs consist of grant and growth; PSEs consist of your RESP contributions
- EAPs are taxable to the beneficiary and a T4A slip will be issued in their name\*; PSEs have no tax implications
- A **full-time student** cannot receive more than \$5,000 of EAP during their first 13 weeks of full-time studies
- A **part-time student** cannot receive more than \$2,500 of EAP during each rolling 13-week enrollment period

The maximum lifetime grant a beneficiary can withdraw is \$7,200. This includes basic and additional CESG and is calculated per beneficiary – not per RESP. If you hold RESPs *outside* of Franklin Templeton and believe the beneficiary named in this form has already withdrawn their maximum grant, please write 'Grant Maximum Redeemed' below your EAP instructions in Section B.

## 2. Withdrawals for Non-Educational Purposes

The account holder (or Subscriber) can withdraw their contributions at any time with no tax consequences—however, if the withdrawal is for non-educational purposes, grant will be returned to the government.

### TO WITHDRAW CONTRIBUTIONS FOR NON-EDUCATIONAL PURPOSES, MAIL OR FAX US:

- ✓ An RESP withdrawal form, signed with a signature guarantee stamp.

\* Non-resident beneficiaries are subject to prescribed non-resident tax rates and restrictions.

We're here to help. Call us at **1 (800) 387-0830** if you have any questions about your RESP withdrawal.

The document you use as proof of current enrollment must include the following:

- Beneficiary Name
- Student Number
- Name of the Educational Institution
- Term or Semester

A Letter of Acceptance is NOT proof of enrollment.

# Franklin Templeton RESP Withdrawal Form

Account Number \_\_\_\_\_

Subscriber Name \_\_\_\_\_

Joint Subscriber Name (If Applicable) \_\_\_\_\_

## SECTION A PURPOSE OF WITHDRAWAL

Educational Purposes

Provide ONE of the following as proof of current enrollment:

- Student Timetable
- Letter from Registrar's Office Confirming Enrollment
- Current Tuition Invoice

**PROCEED TO SECTION B**

Non-Educational Purposes

Grant will be returned to the government.

**PROCEED TO SECTION C**

## SECTION B EDUCATIONAL WITHDRAWAL – ALL FIELDS ARE MANDATORY

Beneficiary Name \_\_\_\_\_

Is the Beneficiary a Canadian Resident?  Yes\*  No

Beneficiary SIN \_\_\_\_\_

\* If Yes, Please Name the Beneficiary's Province of Residence \_\_\_\_\_

Name of Educational Institution \_\_\_\_\_

Program Enrolled In \_\_\_\_\_

Address of Educational Institution \_\_\_\_\_

Academic Year Start Date \_\_\_\_\_

Type of Post-Secondary Education:

- University  Community College or CEGEP
- Private trade, vocational or career college
- Other \_\_\_\_\_

Academic Year Length (in weeks) \_\_\_\_\_

Program Length (in years) \_\_\_\_\_

Current Year Enrolled In (1st, 2nd, etc.) \_\_\_\_\_

TYPE OF WITHDRAWAL

**Educational Assistance Payment (EAP)** +

**Post-Secondary Education (PSE)** =

**Total Withdrawal**

OR  **Full Account Withdrawal**

(Withdrawal of grant/earnings)

(Withdrawal of contributions)

(Processed as gross unless otherwise indicated)

**PROCEED TO SECTION E**

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**PROCEED TO SECTION D**

**Note:** If no withdrawal type is selected, we will consider it an EAP. If there is an insufficient amount to cover an EAP, the remainder will be processed as a PSE.

## SECTION C NON-EDUCATIONAL WITHDRAWAL

\$ \_\_\_\_\_

OR  **Withdraw 100% of Contributions**

OR  **Full Account Withdrawal**

(Processed as gross unless otherwise indicated)

In which Fund should we leave the earnings, if applicable?

**Note:** Earnings in an RESP can only be withdrawn for non-educational purposes if the plan has been open for 10 years and all the past and present beneficiaries in the plan are at least 21 years old. All remaining grant will be returned to the Federal or Provincial government and the following **penalties** will apply:  
NON-QUEBEC RESIDENTS: Withholding tax equivalent to the RRSP withdrawal tax rates PLUS 20%.  
QUEBEC RESIDENTS: Withholding tax equivalent to the RRSP withdrawal tax rates PLUS 12%.

From which Fund should we repay the grant to the government, if applicable?

Fund Code(s) \_\_\_\_\_

**PROCEED TO SECTION E**

Fund Code(s) \_\_\_\_\_

**PROCEED TO SECTION D**

**Call us if you prefer to roll the earnings penalty-free into an RRSP.**

**PROCEED TO SECTION E**

**Note:** Non-educational withdrawals can only be made payable to the subscriber(s).

## SECTION D FUND WITHDRAWAL INSTRUCTIONS

FUND CODE	FUND NAME	AMOUNT (\$ or %)
Total		

**PROCEED TO SECTION E**

## SECTION E PAYMENT INSTRUCTIONS AND AUTHORIZATION

Send payment by  **Direct Deposit**  Provide a pre-printed void cheque

**Mail cheque to** (pick one)  Subscriber  Beneficiary  Subscriber c/o Advisor  Beneficiary c/o Advisor  Educational Institution  
Address \_\_\_\_\_

If no instructions are provided, we'll make the cheque payable to the subscriber and mail it to the address on file.

Subscriber Signature \_\_\_\_\_ Date \_\_\_\_\_

Joint Subscriber Signature (If Applicable) \_\_\_\_\_

### AFFIX SIGNATURE GUARANTEE STAMP

(You can get a signature guarantee stamp from your advisor or a representative from your bank)

# RESP Glossary

## Additional Canada Education Savings Grant (Additional CESG)

Additional CESG is a matching grant of either 10% or 20% on the first \$500 in annual contributions made to an eligible beneficiary's RESP. (Contributions must have been made on or after January 1, 2005.) The Additional CESG is money over and above the basic Canada Education Savings Grant. The amount of this grant depends on the net family income of the child's primary caregiver.

## Basic Canada Education Savings Grant (Basic CESG)

Basic CESG is money paid by the Government of Canada directly into an RESP. Basic CESG adds 20% to the first \$2,500 in contributions put into an RESP annually for an eligible beneficiary.

## Beneficiary

This is the person named in a Registered Education Savings Plan (RESP). The beneficiary receives the Educational Assistance Payment (EAP) from the RESP when it's time to pay for their studies after high school.

## Canada Learning Bond (CLB)

Up to \$2,000 in Canada Learning Bonds is available to children born after December 31, 2003 if their primary caregiver receives the National Child Benefit Supplement. The money is deposited by the Government of Canada directly into a child's RESP. A family does not need to put money into the RESP for the child to receive the bond.

## Educational Assistance Payment (EAP)

An Educational Assistance Payment is money from a student's Registered Education Savings Plan (RESP). It is used to help students pay for their education after high school. It includes only money from earnings, bonds and grants; it does not include individual contributions. The EAP counts as part of the student's (beneficiary's) income.

## Full-Time vs. Part-Time Studies

Eligibility for EAP in full-time studies requires at least 10 hours per week in an educational program and three consecutive weeks duration. Eligibility for an EAP in part-time studies requires at least 12 hours per month in an educational program and three consecutive weeks duration.

## Post-Secondary Education

Post-secondary education refers to:

- apprenticeships;
- trades programs;
- college programs;
- CÉGEP or other non-university certificate or diploma programs; and
- university degrees (bachelor's degrees; university certificates or diplomas; degrees in medicine, dentistry, veterinary medicine or optometry; master's degrees; and earned doctorates).

## Post-Secondary Education (PSE) Contribution Withdrawal

Contributions withdrawn when a beneficiary is eligible to receive an EAP are called PSE contribution withdrawals. PSE contribution withdrawals do not trigger grant and bond repayments.

## Qualifying Educational Program

This is a post-secondary program that lasts at least three weeks in a row. It must also require a student to spend 10 hours or more each week attending classes or doing program-related work. Qualifying educational programs include apprenticeships, and programs offered by a trade school, CEGEP, college or university.

## Québec Education Savings Incentive (QESI)

QESI is a refundable tax credit, paid directly into RESPs for beneficiaries under 18 who are residents of Québec on December 31 of the taxation year. For the basic amount, an RESP account may receive an amount equal to 10% of the net contributions paid during the year, up to \$250. To help low- and middle-income families, an increase of up to \$50 per year, calculated on the basis of family income, may be added to the basic amount.

## Registered Education Savings Plan (RESP)

A Registered Education Savings Plan (RESP) is a special savings plan, like a savings account that helps you save money for a child's education after high school. RESPs allow your savings to grow tax-free. RESPs also make it possible to receive extra money through the government's basic Canada Education Savings Grant (CESG), Additional CESG, the Canada Learning Bond and provincial savings programs.

## Subscriber (or Contributor)

A subscriber is someone who opens a Registered Education Savings Plan (RESP). He or she can put money into the RESP on behalf of the person (usually a child) named as the beneficiary.

Sources: canlearn.ca, revenuequebec.ca, edsc.gc.ca



Franklin Templeton Investments  
5000 Yonge Street, Suite 900  
Toronto, ON M2N 0A7  
fax 1 (866) 850-8241  
service@franklintempleton.ca

1 (800) 387-0830

[www.franklintempleton.ca](http://www.franklintempleton.ca)