

Non-redeemable term deposits will be automatically redeemed (with penalty, as per Deposits Disclosure) to facilitate an Educational Assistance Payment.

Accumulated Income Payment (AIP)

An AIP is the payment of income accumulated on contributions and grants from the RESP to a subscriber. If an RESP has joint subscribers, a separate AIP could be made to each subscriber. An AIP can be made if the recipient subscriber is a Canadian resident, and any of the following apply:

- the RESP has been in existence for a minimum of 10 years and all living individuals who are or were beneficiaries under the RESP have attained the age of 21 years and are not eligible for an Educational Assistance Payment; OR
- the AIP is made in the 35th year (40th year in the case of a Specified Plan) following the year the RESP was entered into; OR
- each beneficiary who was a beneficiary under the RESP is deceased when the AIP is made.

Any remaining CESG, CLB and/or Provincial Grants must be repaid to the Government.

An AIP is subject to two different taxes: regular withholding tax (10% - 30% dependent on the amount) plus an additional 20% tax (additional tax for Quebec residents is 12%). The subscriber may be eligible for a tax reduction where:

- The AIP is contributed to the subscriber's RRSP, or to a spousal RRSP in the year the AIP is received or in the first 60 days of the following year. The subscriber must have sufficient RRSP contribution room and amounts contributed cannot exceed the lifetime maximum of \$50,000.
- A rollover of an RESP to a Registered Disability Savings Plan (RDSP) is permitted for an Individual RESP Plan if both plans are established for the same beneficiary, who is eligible for the disability tax credit. The beneficiary must be a resident of Canada and less than 60 years of age at the time of the rollover. The rollover amount cannot exceed the RDSP lifetime contribution limit.

The RESP must be terminated before March 1 of the year following the year in which the first AIP is made out of the RESP.

Partial Transfers

Partial transfers from a Concentra RESP are not permitted.

Inactive RESPs

An RESP will be considered inactive if the balance in the plan is less than \$100 and there have been no contributions to or withdrawals from the plan within the preceding 12 months. The subscriber(s) will be notified if a plan is considered inactive and the subscriber(s) will be provided with available options. If no response is received from the subscriber within 30 days, the contract will be terminated.

Monthly Contributions

Monthly contributions are a popular option for many. It is often easier to find a small amount of money each month than a large amount once a year. As well, monthly contributions will begin earning interest immediately.

Contact your servicing agent for information on pre-authorized contributions.

Renewal of Fixed-Term Deposits

If no instruction is received, matured deposits will automatically renew for a further like term.

Estate Administration Assistance

If you are the executor/personal representative of an estate, contact Concentra Trust for information on executor solutions. The estate administration experts at Concentra Trust can act as your agent or complete any or all of the administrative tasks associated with settling an estate. You retain the decision-making power and you control the costs by selecting the specific task that you would like Concentra Trust to complete on your behalf.

Resolving Concerns

Your concerns are important to us. At Concentra, our objective is to deliver products and services that meet your needs. If you believe we have not met our obligations, it is important to us that we hear from you. For this reason, we have developed a process to assist you in obtaining a satisfactory response to any concerns or complaints. Details of this process are available under the Resolving Concerns tab located at the bottom of our website:



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Registered Education Savings Plan

Concentra®

Thank you for allowing Concentra to administer your RESP. If you have questions about your RESP or other Concentra products, please contact us at 1.800.788.6311.

Deposit Information

For interest information, fees, and charges applicable to Concentra deposits, please refer to the Deposits Disclosure. The Deposits Disclosure is available on our website at concentra.ca; at the bottom of the page, click on the link for CDIC Deposit Insurance Information and select Deposits Disclosure. Alternatively, you may request a copy by contacting us at 1.800.788.6311.

Contributions on Behalf of a Beneficiary

- All contributions made by one or more subscribers into RESPs for a particular beneficiary may not exceed \$50,000 during the beneficiary's lifetime. Contributions which exceed this limit are subject to a penalty.
- Contributions are not tax-deductible.
- The subscriber may contribute to an Individual Plan until the end of the 31st year following the year the plan was entered into or the 35th year where the beneficiary is eligible for the disability tax credit (a Specified Plan).
- No contribution may be made to a Family Plan after the end of the 31st year following the year the RESP was opened and no contribution for a particular beneficiary is permitted once that beneficiary attains age 31.
- RESPs provide for joint subscribers; however, if there is more than one subscriber on a plan, the second subscriber must be the spouse or common-law partner of the first.

Plan Maturity

RESPs must be terminated by the end of the 35th year following the year the plan is opened (40th year for a Specified Plan).

Grants Available for RESPs

1. Canada Education Savings Grant (CESG)

The CESG is a grant from the Government of Canada paid directly into a beneficiary's RESP. Every Canadian resident under age 18 will accumulate CESG Grant room of \$500 per year, calculated as 20% on the first \$2,500 (or less) of qualifying annual contributions. Unused CESG Grant room can be carried forward for use in a future year. The lifetime

maximum CESG payable to a beneficiary is \$7,200. Should no beneficiary under the plan pursue post-secondary education, the CESG must be repaid to the Government.

To receive CESG, the beneficiary must be a Canadian resident with a valid Social Insurance Number and contributions to the RESP must be made on or before December 31 of the year the beneficiary turns 17.

Age 16/17

In the year a beneficiary attains 16 or 17 years of age, he/she is eligible to receive CESG only if one of the following conditions are met:

- a minimum of \$2,000 in contributions were made for that beneficiary (and not withdrawn) before the end of the calendar year the beneficiary turned age 15; OR
- contributions were made for the beneficiary of at least \$100 per year (total \$400) to an RESP in any 4 years (consecutive or not, and not withdrawn) before the end of the calendar year the beneficiary attained age 15.

2. Additional CESG

Additional CESG rates may apply to the first \$500 contributed in a year to a beneficiary's RESP. Based on the adjusted family net income of the beneficiary's primary caregiver, the grant is paid as a percentage of the annual contribution amount - 20% where net income is \$49,020 or less, 10% where net income is \$49,020 - \$98,040 and no Additional CESG is paid where net income is greater than \$98,040.

3. Canada Learning Bond (CLB)

Children born on or after January 1, 2004, who are Canadian residents and have a valid SIN, may be eligible for an initial \$500 CLB payment, depending on the primary caregiver's adjusted family net income and the number of children in the family. These children will also qualify for \$100 CLB installments until age 15 in each year they are eligible. Children who are not eligible for the CLB at birth, but become eligible in a subsequent year, will qualify at that time for a \$500 CLB and will qualify for the \$100 annual CLB installment in each year thereafter that their family income falls within a certain threshold. The maximum CLB an eligible child may receive is \$2,000. Although this payment is made into an RESP, this incentive is not dependent on any RESP contributions. CLB is non-transferable to another beneficiary.

4. Saskatchewan Advantage Grant for Education Savings (SAGES)

The Government of Saskatchewan has temporarily suspended SAGES payments effective January 1, 2018.

5. British Columbia Training and Education Savings Grant (BCTESG)

The BCTESG is a one-time payment of \$1,200 to an RESP for an eligible child born on or after January 1, 2006. The child and a custodial parent/legal guardian must be ordinarily resident in British Columbia. Application for the BCTESG must be made on or after the beneficiary's 6th birthday, but before their 9th birthday. A contribution to the RESP is not required to receive the BCTESG.

Educational Assistance Payment (EAP)

An EAP is the distribution of accumulated income and educational incentive amounts (CESG, CLB and Provincial Grants) from the RESP to assist a beneficiary with his/her post-secondary education expenses. EAPs are reported as income by the beneficiary in the year received.

EAPs must be authorized by the subscriber(s) and the following conditions must be met prior to initiating an EAP:

- the beneficiary must be enrolled as a full-time or part-time student in a qualifying educational program or a specified educational program at a post-secondary educational institution; AND
- proof that the beneficiary is enrolled in an approved educational program must be provided.

Each request for an EAP is limited to:

- \$5,000 for a qualifying educational program; OR
- \$2,500 for a specified educational program.

A request for an EAP may be made at any time while enrolled or within the six month period after ceasing to be enrolled in a qualifying program. An EAP request received after this deadline cannot be processed.

Contact your servicing agent for the required documentation to initiate an EAP.

Withdrawal of RESP Contributions

Subject to the terms and conditions of the RESP, the subscriber can withdraw his/her contributions tax-free; however, unless a beneficiary of the RESP qualifies for an EAP at the time of the withdrawal, this will result in an obligation to repay all/part of any CESG and SAGES remaining in the RESP to the Government. Closure of the plan requires CLB and BCTESG to also be repaid to the government. In addition, all beneficiaries in the RESP at the time of withdrawal will not be eligible to receive the Additional CESG for the remainder of the year of withdrawal and the following two years.