The Federal Government has imposed grant restrictions on any RESP where there has been a withdrawal of funds for non-educational purposes. This includes withdrawing funds to be redeposited in another RESP. The processing of this withdrawal may result in CESG being returned to the government and/or a CESG restriction for your beneficiary (student).

Should you proceed with this request, any CESG and/or Additional CESG (A-CESG) received on the funds withdrawn from this agreement will be returned to Human Resources and Skills Development Canada. If the withdrawn funds are deposited to a new agreement, the funds could again attract CESG if the beneficiary in the new agreement has sufficient CESG room available and is otherwise eligible for CESG. The CESG contribution room used to collect the CESG on the withdrawn funds will not be restored to the beneficiary, even though the CESG is being re-paid to the government.

If you withdraw more than $200 in contributions you made before January 1, 1998 while your beneficiary is not attending post-secondary school, your beneficiary won’t be eligible for the 20% CESG for the rest of that year and for the two following years. Similarly, if you withdraw contributions after March 22, 2004 that attracted CESG while your beneficiary is not attending postsecondary school, your beneficiary won’t be eligible for the A-CESG for the rest of that year and for the two following years, but they will still remain eligible for the 20% CESG.

By signing this form you acknowledge that you are aware that in proceeding with this withdrawal, the beneficiary may, depending on the circumstances, be subject to one or both grant restrictions detailed in this notice and that you still wish to proceed with your request.