

## MATURITY OF YOUR HERITAGE REGISTERED EDUCATION SAVINGS PLAN (“RESP”)

Contract Number

for

Please be informed that the Maturity Date of your Heritage RESP(s) has passed. After years of saving for «Nominee\_FirstName»'s post-secondary education, the time has arrived to receive the benefits from your RESP(s).

Please note that your plan is **inactive**. At the time of your plan(s)' scheduled Maturity Date, you did not fulfill the requirements of the maturity process to receive a payment. Under the Self-Determined Option, you are entitled to receive the following maturity payment(s):

- For Contract Number 12345678: \$10,000.00
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The above represent(s) your contributions less fees. The income and government grants of your plan(s) will also be available once <<Nominee's\_FirstName>> enroll(s) in post-secondary studies.

**IMPORTANT INFORMATION ABOUT THE MATURITY PROCESS:**

**1. This is your maturity notice. Our maturity process is electronic; therefore, no forms will be mailed to you. To begin the maturity application process,** we invite you to visit our website at [Subscriber.HeritageRESP.com](http://Subscriber.HeritageRESP.com) and create an online account, if you don't already have one.

You can find all information about the maturity of your RESP and pay-out options, as well as complete the maturity application process, on our website at [Subscriber.HeritageRESP.com](http://Subscriber.HeritageRESP.com) via your secure Subscriber Online account.

**2. The maturity process requires you to select a pay-out option that best suits your beneficiary(ies) current academic status.**

- If your beneficiary is pursuing post-secondary studies, you can request the release of your principal, income and government grants now or you can request us to hold the funds until your beneficiary enrolls (provided the request is made prior to the expiry date of your plan(s) as shown on your statement of account). Or,
- If your beneficiary will not be pursuing post-secondary studies, you can request to change the beneficiary of your plan(s) to a new beneficiary who is pursuing post-secondary studies and request the release of your principal, income and government grants (certain conditions apply). Or,
- If any beneficiary will not be pursuing post-secondary studies, you can request the return of your principal upon or after the maturity date and leave the income in the plan until you have met the conditions to receive an accumulated income payment (allowing the income to be paid to you). Please note that under this option, any government grants will be returned to the applicable government.

**3. During the maturity process, we will require you to:**

- Complete a Maturity Application by answering a few questions regarding your beneficiary's intentions to pursue **or** not to pursue post-secondary education in this school year.
- Upload a Proof of Registration or a Verification of Enrollment form provided by your beneficiary's post-secondary institution.
- Choose how you would like to receive your maturity payment(s). Your options are as follows:
  1. You can choose to have your maturity payment(s) deposited into the bank account your contributions were withdrawn from for your plan(s).
  2. If you do not have a bank account on file or would like us to deposit your payment(s) into a different account (held at a Canadian financial institution), you will be required to upload your void cheque or a pre-authorized debit (PAD) form.
  3. You can request a cheque to be mailed to you, in which case a fee of \$20 (plus applicable taxes) will be deducted from your maturity payment(s).

**IMPORTANT THINGS TO REMEMBER:**

- You must complete your online Maturity Application and select your payment method. The beneficiary may also apply for an educational assistance payment (EAP) at the same time as your maturity payment, **AND**
- If your beneficiary is pursuing post-secondary education, submit the Proof of Registration or Verification of Enrollment form. We require this form to release your payments and properly administer the applicable government grants in your plan(s) (if applicable). A delay in the delivery of valid Proof of Registration or Verification of Enrollment may delay your maturity payment(s).
- If your beneficiary is not pursuing post-secondary education under the Self-Determined Option, you may request to change the beneficiary of your plan(s) or request an accumulated income payment allowing the income to be paid to you (certain conditions apply).

Our electronic Maturity Application process will provide you with all the information and resources you need in order to receive funds from your RESP(s). It's easy, convenient and it helps us in our efforts to preserve our environment for future generations

If you have any questions about our maturity application process, please contact us toll-free at 1 800 363-7377. You can also reach us via email at [contact@kff.ca](mailto:contact@kff.ca) or chat with a live agent using our web chat at [HeritageRESP.com](http://HeritageRESP.com).

We wish your beneficiary continued academic success. Knowledge First Financial Inc. is proud to be your financial partner, helping your beneficiary reach their educational goals.

Sincerely,

Jade Arinzana  
Senior Supervisor, Operations

## IMPORTANT INFORMATION

This section will make you aware of the terms of the plan that, if not met by you or your beneficiary might result in losses to you or your beneficiary. If any of these situations occur, please contact our Contact Centre at 1 866 269-0639 or your local Sales Representative to discuss your available options.

### **MATURITY PROCESS:**

The self-determined option will be selected for you automatically if your plan is inactive or in default due to missed contributions immediately prior to the maturity date.

### **WHAT HAPPENS IF I NEED TO CHANGE THE MATURITY DATE?**

If your beneficiary intends to start post-secondary studies before or after the scheduled maturity date, you do not need to change the maturity date. When your beneficiary enrolls in post-secondary studies, you can request the funds in your plan at that time provided that it is prior to your plan's expiry date\* as provided on your statement of account.

### **IF I CHOSE THE SELF-DETERMINED OPTION (OR IT WAS SELECTED FOR ME AT MATURITY), WHAT ARE MY OPTIONS FOR WITHDRAWING THE INCOME?**

If the beneficiary enrolls in a qualifying program by the expiry date\* of the plan, he or she will be able to withdraw the income in the form of an EAP. If the beneficiary does not enroll in a qualifying program by the expiry date\* of the plan, the beneficiary will not receive any EAPs. In this situation, and if the requirements to receive an AIP have been met, you may make a withdrawal of the income and contribute it into your or your spouse's RRSP account (if your spouse is a joint subscriber) or your spousal RRSP provided there is contribution room available. If you do not have RRSP contribution room available, the income may be withdrawn in cash. In this case, there will be an additional 20% tax (or 12% federal and 8% provincial if you live in Québec) on the withdrawn funds (other than contributions), on top of your regular tax rate.

### **WHAT HAPPENS IF MY BENEFICIARY DOES NOT PURSUE POST-SECONDARY STUDIES?**

If your beneficiary is not eligible to receive EAPs, you may not be entitled to any income earned in your plan unless the self-determined option has been selected. Under the self-determined option, the beneficiary may be changed at any time with no age restriction (the new beneficiary must have a valid SIN and be a resident of Canada when the beneficiary change takes place). If the self-determined option has been selected, and the requirements to receive an AIP have been met, you may request an AIP (option to receive the income as taxable income). If the AIP requirements have not been met, you may request that we retain such income and distribute it once the requirements have been met. As your plan approaches its expiry date\*, we will notify you of the funds remaining in your plan. If you do not withdraw your income and any other available funds prior to your plan's expiry date\*, they will be distributed as follows:

- Income earned on contributions and government grants will be remitted to a designated educational institution;
- Any remaining principal will be sent to your address on our records; and
- Any remaining government grants will be returned to the applicable government.

### **WHAT HAPPENS IF MY BENEFICIARY QUILTS POST-SECONDARY STUDIES?**

If the beneficiary ceases to be an eligible beneficiary, he or she may apply for an EAP for up to six months after ceasing to be the eligible beneficiary, provided that the payment would have qualified as an EAP if the payment has been made immediately before the student's enrollment ceased.

\*The expiry date of the plan is December 31<sup>st</sup> of the 35<sup>th</sup> year following the year in which the plan was entered into. Or, in the case of a specified plan, December 31<sup>st</sup> of the 40<sup>th</sup> year following the year in which the plan was entered into. A specified plan is a single beneficiary RESP under which the beneficiary is entitled to a disability tax credit for the beneficiary's tax year that includes the 31<sup>st</sup> anniversary of the plan.