

# YOUR VOTE IS IMPORTANT

## What you need to know

The Board of Directors of the Heritage Educational Foundation are holding a vote to wind-up the Heritage Group Plan and Self-Determined Plan and transfer your existing Heritage RESP to Knowledge First's Family Single Student Plan, an individual RESP plan.

**Here's how this benefits you - Individual RESP's provide greater flexibility, ownership, and ease of use for you and your beneficiary.** Choosing to move to the Family Single Student Plan is a decision that gives you control of your plan and creates more certainty about what you will have in your RESP when it comes time for your student to attend post-secondary school.

**We need your support! The Board of Directors of the Heritage Educational Foundation is recommending you support and vote in favor of this change.**

## KEY DIFFERENCES - GROUP VS. INDIVIDUAL PLANS

### Group RESP Plan

### Individual RESP Plan

#### OWNERSHIP & INCOME EARNED



- Income on contributions from different customers is pooled together and **belongs to the Plan, not to you and your student.**
- Only students who complete a traditional four-year post-secondary education program will obtain the full benefit of their RESP through attrition value, which is determined by the Foundation annually.
- The student's share of **income not claimed from the pool is lost and available to be claimed by other students** of that same pool. Any grants or grant income not claimed by the student will also be lost.



- **Income on contributions and grants are fully owned by you and your student.** They are managed and held individually and not pooled together.
- No matter what post secondary path your student chooses, **you are in control of the full value of your RESP.**
- If your student decides to postpone, not pursue, or change their post-secondary education program, the plan's income still belongs to you and can stay invested and grow over the entire 35-year life of your RESP.

#### WITHDRAWAL ELIGIBILITY & FLEXIBILITY

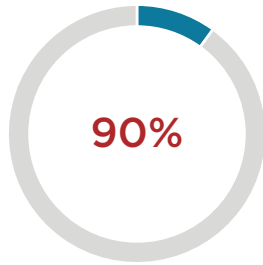
- **Restrictions limit the student's flexibility to access and withdraw funds from their RESP:**
  - Net contributions are returned to the subscriber, in full, in the student's first year of post-secondary education. Withdrawals are fixed and aligned to traditional post-secondary start dates.
  - Starting in their second year, students must apply each year, by a specified deadline, to withdraw an arbitrary share of pool's income (determined by the Foundation), grants and grant income. If they do not meet this deadline they will lose some of their income.



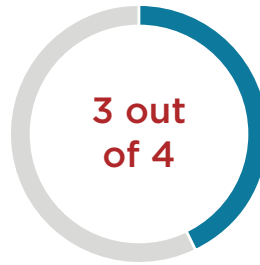
- **Complete flexibility as to the timing of withdrawals of contributions and income,** aligning to the diverse nature of today's post-secondary programs.
- Withdrawals can be made in a strategic way, enabling students to withdraw contributions, grants and income at any time and in any order, **helping them take advantage from a usage and tax perspective.**

# DID YOU KNOW?

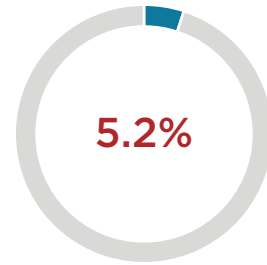
The post-secondary education landscape has evolved and, with it, the behaviours of students as they determine their path in life. As a result, the main benefit of Group Plans, attrition income, is declining. In comparison, one of the key benefits of individual plans is flexibility, ensuring that you have full and complete access to all your plan's income. In the Heritage Group Plan:



**90% decline**  
in attrition value over the  
last 6 years.



**3 out of 4 students**  
**do not** receive the full  
value of their RESP.



**Only 5.2%**  
of your Education Assistance  
Payment is made up of attrition.

## MAIN BENEFITS YOU WILL GAIN FROM AN INDIVIDUAL RESP PLAN

### MAXIMIZE VALUE

- Manage your contributions to maximize the federal and provincial grants that you are eligible for.
- Increase earning potential through a prudent investment strategy while protecting the value of your savings – even while your student is attending their post-secondary education.
- Enjoy tax efficiencies by strategically withdrawing when your student has the lowest earning potential from summer, part-time or co-op jobs.

### FULL OWNERSHIP & CONTROL

- The income you build over the lifetime of your RESP belongs to you and your student alone, even if your student decides not to pursue post-secondary education.
- Greater transparency, providing you with a better understanding of the plan's value, especially when broken out by contributions, grants and income earned.

### ACCESS TO PROGRAMS & RESOURCES

- Knowledge First's scholarship and bursary program opportunities.
- Our videos, articles and advice help you prepare for decisions around post-secondary education, as well as ways to strategically manage and maximize your RESP savings and withdrawals.

### ULTIMATE FLEXIBILITY

- The Family Single Student Plan recognizes that each student's path is different and helps you account for that. For example, a student may need less money in their first couple of years if they attend classes part-time, and will eventually need more as they extend their program.
- Access your RESP through our secure customer website, by phone, live chat or connect in-person with your sales representative.
- Get full information, timely reporting or make changes, all without any additional fees.

**For more information on the Family Single Student Plan,  
please visit [www.knowledgefirstfinancial.ca/FSSP](http://www.knowledgefirstfinancial.ca/FSSP)**