

Your RESP at Maturity

As your plan approaches maturity, you get to decide when and how you would like to receive payments from your plan. All those years of saving for your child's post-secondary education are about to pay off. You have until July 31st of your maturity year to make your choice.

To start withdrawing funds from your RESP at maturity, your student must be attending a post-secondary program. While your net contributions are accessible at any time, you get the most out of your RESP when funds are withdrawn for the purpose of post-secondary education. Maintaining your government grants requires that you keep your net contributions in your RESP until the time your student is enrolled in a qualified program, as per the rules of the Income Tax Act. The following options are available at maturity – allow your RESP to mature, delay your RESP maturity date to the following year or transfer from your Family Group Plan. It is important to understand these options before you make your choice.



Allow your RESP to mature

Choosing this option means your RESP will mature on July 31st of your maturity year. Your net contributions will be returned to you to help pay for your student's post-secondary education. This maturity payment is the single largest portion of your RESP. Smaller, regular Education Assistance Payments[†] (EAPs) will follow.

The income and grants you've earned will remain in the plan until your student starts receiving EAPs, which are composed of:

- Government grants and income earned on those grants
- Income earned on your contributions
- Any attrition and discretionary top-ups^{††} that are available

For group plans, EAPs are paid in installments over the course of your student's qualified studies. They start the year after the plan matures. The student must qualify to receive an EAP each year.

[†]Subject to Canada Revenue Agency (CRA) guidelines and the Income Tax Act (ITA).

^{††}These payments are discretionary. Discretionary payments are not guaranteed. You should not count on receiving a discretionary payment. The Knowledge First Foundation decides if they will make a payment in any year and how much the payment will be. Not available on Family Single Student Plans.



Delay your RESP maturity date

Your student may be taking extra courses, or maybe they're taking a gap year. Post-secondary education is still in their plans but they're not yet ready to enrol in a post-secondary program. No worries – they can delay their plan's maturity until the following year. You will receive your maturity payment once the plan matures and all the grants in your plan will be maintained.

Family Group Plans: If your student is in the Family Group Plan and is not certain which program to attend, or is unlikely to complete 3-4 years of post-secondary education in a qualifying program, you may want to consider the transfer option rather than just a delay.



Transfer your Family Group Plan

While a Family Group Plan may have been the right choice when you started your RESP, circumstances may change as you approach maturity. You can transfer to our Family Single Student Plan as long as you do so before your Family Group Plan matures.

With a Family Single Student Plan, your net contributions will be returned to you at plan maturity and your student will be eligible to receive EAPs.

Reasons to consider a plan transfer	Reasons to consider staying in your Family Group Plan
My student is unlikely to complete 3-4 years of post-secondary education	My student is planning on attending 3-4 years of a qualifying post-secondary program
My student is not sure of their future education plans	My student is absolutely certain of their future education plans
I want control over the amount and timing of EAPs	I'm comfortable with my student receiving EAPs in installments on a predetermined schedule over the course of their studies
I want to withdraw the majority of my funds immediately for post-secondary education	I want to receive the benefit of discretionary top-ups
If there are funds remaining in the RESP, I want the flexibility to transfer both the income earned on my contributions and grants to an RRSP in the future	If there are funds remaining in the RESP, I want the flexibility to transfer only the income earned on my government grants to an RRSP in the future

Maturity applications are due July 31st of your maturity year. To obtain a copy of the maturity application, visit knowledgefirstfinancial.ca or contact Customer Service at 1 800 363-7377.

CELEBRATING FIFTY YEARS *of* EDUCATION SAVINGS

Knowledge First Financial Inc. is a wholly owned subsidiary of the Knowledge First Foundation and is the investment fund manager, administrator and distributor of the education savings plans offered by Knowledge First Foundation.

For more information about education savings plans from Knowledge First Financial Inc., please visit knowledgefirstfinancial.ca or refer to our prospectus.

Knowledge First Financial® is a registered trademark of Knowledge First Financial Inc.

Knowledge First Financial Inc.
50 Burnhamthorpe Road West, Suite 1000
Mississauga, Ontario L5B 4A5
knowledgefirstfinancial.ca | 1 800 363-7377