



RESP

My Education+

SAVE TODAY
FOR YOUR
CHILD'S
TOMORROW



My Education+

More savings / More flexibility / More possibilities

More savings

- Federal grants of up to \$500 per year
- Additional government grants depending on your income and province of residence
- Tax-free growth for your savings

More flexibility

- No minimum annual contribution required
- Access to your contributions at all times, if needed
- Tax-free contribution withdrawals
- Possibility of transferring money invested to your RRSP if your child doesn't pursue post-secondary education

More possibilities

- Vast selection of investments to maximize your return based on your objectives and investor profile
- Access to a high-interest account with 100% protection for your savings



Your child's future starts now

With a child comes a future full of promise, dreams to fulfill, goals to achieve and just as many reasons to provide the tools needed to succeed both personally and professionally.

Enabling the pursuit of post-secondary education under the best possible conditions means offering your child a real springboard for the future. It also means providing freedom—financial freedom, of course, but also freedom to choose a path and fully utilize his or her talents.

Education – An advantage that counts

It's true that education is expensive. But it is also an excellent investment. More than ever, employers seek qualified, highly-trained candidates with specialized skills.

Two thirds of jobs require a post-secondary education.

Over 80% of post-secondary diploma holders report that they work in jobs related to their field of study.

Over 60% of workers in the highest income bracket hold a post-secondary diploma.

Source: Statistics Canada study on graduating in Canada, 2013.

RESP: Savings today building tomorrow

The registered education savings plan (RESP) is an ideal financial tool to help your child get off to a strong start in life. The RESP allows you to amass and grow your savings in a tax-sheltered environment, take advantage of generous government grants and therefore build a better tomorrow for those you hold most dear.

Two types of plans, same great benefits

With the My Education+ RESP, you can start building a bright future for your closest loved ones today.

1. Individual plan

Allows anyone to open an RESP for the child of their choice, whether related or not. It can be a parent, grandparent, uncle, aunt, friend or any other person looking to make a meaningful contribution to the child's future.

2. Family plan

For anyone closely related to the child, either by blood or adoption. This includes parents and grandparents as well as brothers and sisters. Under the family plan, one or multiple children can be named as plan beneficiaries.

If you opt for a family plan, you may add one or more beneficiaries, under certain conditions.

A single child can also be the beneficiary for more than one RESP. For instance, it is possible for a child's parents and grandparents to open separate RESPs for the same child. They must, however, respect contribution limits set by the federal and provincial governments to avoid any tax penalties.



My Education+ advantage

My Education+
allows you to
choose a family or
individual plan,
depending on
your situation

RESP: Easy as 1-2-3

1

Contribute

You **start saving** early in your child's RESP and take advantage of generous government grants



2

Accumulate

Your **regular contributions** and **grants** generate interest. Your RESP grows tax-free.



— Contributions — Grants — Interest

3

Benefit

Your contributions are **returned** to you to fund your child's education. Your child receives the grants and the total interest from the RESP.



Contribute to building dreams

No matter how old your child is, it's never too late to start saving with an RESP. However, the earlier you contribute, the more your investment will grow as interest will accumulate on both your contributions and the government grants you receive over a longer period of time. That's why it's a good idea to start investing now for your child's future.

Contribute at your own pace

With the My Education+ RESP, you contribute at your own pace based on your budget and your objectives. You can:

- Make lump-sum investments of \$100 or more, or
- Make regular contributions of as little as \$25

No matter how much or how often you contribute, you can invest in funds that correspond to your investor profile and that will enable you to reach your goals. You can also opt for total security by investing in a high-interest account where your capital is protected 100%.

My Education+ advantage

With the My Education+ RESP, you choose the amount you contribute, the frequency of your contributions, and the investment type best suited for you.

2

Accumulate more with government grants

In addition to allowing you to accumulate savings and grow them tax-free, the RESP also gives you access to generous government grants paid directly into the plan.

Result

These grants grow right along with your contributions and considerably enhance your investment.

Federal grants

The Canada Education Savings Program (CESP) is a federal initiative that encourages parents to invest in their children's post-secondary education through two different types of grants.

	Grant type	
	Canada Education Savings Grant (CESG)	Canada Learning Bond (CLB)
Annual grant (% of contributions)	20%	Limit of \$2,000 per child for eligible families
Annual limit (per child)	\$500	
Lifetime maximum (per child)	\$7,200	
Additional grant (% of contributions)	Based on net family income, 10% or 20% of the first \$500 invested each year	

Provincial grants

Certain Canadian provinces encourage families to save even more by supplementing the federal grant program.

	Grant type
	Quebec Education Savings Incentive (QESI)
Annual grant (% of contributions)	10%
Annual limit (per child)	\$250
Lifetime maximum (per child)	\$3,600
Additional grant (% of contributions)	Based on net family income, 5% or 10% of the first \$500 invested each year

Grant type	
Saskatchewan Advantage Grant for Education Savings (SAGES)*	British Columbia Training and Education Savings Grant (BCTESG)
10%	\$1,200 one-time grant Application must be submitted between the child's 6th birthday and the day before the child's 9th birthday
\$250	
\$4,500	
—	

* The SAGES program has been suspended as of January 1, 2018. During the suspension period, SAGES will not be paid on any contributions. The duration of the suspension is unknown.

Another benefit of government grants

For some grants, unused grant room accumulates over time. This means that if no contributions are paid into an RESP in a given year, or if contributions are lower than the limit established by the government in question, grant room can be carried over to subsequent years for so long as the child is eligible.

How to take advantage of these grants

To obtain the government grants, your child must have a social insurance number and be a Canadian resident. The grant application is made when the RESP is opened and the amounts are paid directly into the plan.

My Education+ advantage

The My Education+ RESP provides easy access to the grants available to you based on your income and province of residence.

3

Benefit and put success within your child's reach

When your child begins his or her post-secondary studies, plan payments can begin:

- **Educational assistance payments (EAPs)**, which are made up of grants received and plan returns since inception, are paid to your child. During the first 13 weeks of your child's full-time studies, the maximum EAP that can be paid is \$5,000. After that, no limit is imposed.
- All of your **plan contributions** can be paid out to you. You can give this money to your child or use it for your own purposes. In both cases, these funds are paid out tax-free.

EAP amounts

You choose the amount and frequency of payments for your child. The money is paid in the form of EAPs and can be spread over several years. If you have a family plan, you can divide the EAP amounts among your children any way you like. You can have all or part of the investment income and grant money paid to just one child or divide it up equally.

What about taxes?

EAP money is taxable and is added to your child's income. This is an advantage, because students often have a modest income and therefore pay little or no income tax.

Funds accessible at all times

With My Education+, you have access to your capital at all times. You can withdraw all or part of your contributions paid into the plan with no tax consequences.

However, if you withdraw contribution money before your child begins post-secondary studies, you must repay the government grants received on the money withdrawn.

What if your child doesn't pursue post-secondary education?

If your child doesn't pursue post-secondary education, you can:

- Designate a new beneficiary
- Withdraw the contributions
- Transfer the contributions to your RRSP
- Make a donation

Designate a new beneficiary

If you have an individual plan, you may offer the RESP to another child. New contributions can be made into the plan for the remainder of the life of the plan.

To keep grants in the RESP:

- The new beneficiary must be under 21 years of age and be a sibling of the child for whom the RESP was opened.
- However, if the beneficiaries are not siblings but are related by blood or adoption, both beneficiaries must be under 21 years of age.

If you have a family plan, you may continue to contribute for the other beneficiaries of the plan.

	RESP contributions	RESP interest	Grants
Withdraw the money in the plan	Your contributions can be recovered tax-free.	Certain conditions must be met to withdraw the interest generated in the RESP. This money is added to your annual taxable income and is subject to an additional income tax of 20%. You must close the RESP at latest by the end of February the year following the year of the first payment.	Grant money must be reimbursed to the respective governments.
Transfer the money to your RRSP	<p>Your contributions and the interest generated in the RESP, up to \$50,000, can be transferred to your or your spouse's RRSP if:</p> <ul style="list-style-type: none"> — You have unused RRSP contribution room — Your RESP was started at least 10 years earlier — All RESP beneficiaries are age 21 or older and none are eligible to receive EAPs. 		
Make a donation	Your contributions can be recovered tax-free.	This money can be donated to the designated educational institution of your choice.	



Support every step of the way

Choosing the My Education+ RESP from iA Financial Group (Industrial Alliance Insurance and Financial Services Inc.) means choosing guidance and support that is tailored to your needs. Your advisor will make recommendations based on your values, your plans for the future and what you feel is best for your child, and will provide you with a financial plan aligned with your own needs and financial situation. Your advisor's goal is to offer you the most appropriate strategy to help you build a future full of promise for your child, starting today.

INVESTED IN YOU.

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