

CANADA EDUCATION SAVINGS PROGRAM



Choosing the right **RESP**

Questions to ask your RESP promoter



- Do you offer the Canada Learning Bond, the additional amount of Canada Education Savings Grant and provincial education savings incentives?
- What types of RESPs do you offer (family, individual or group)? What are the advantages and risks of each?
- What investment products do you offer? Can I change to another product while I have my RESP? Which product is the most secure?
- Do I have to pay fees for:
 - opening an RESP?
 - withdrawing money from my RESP?
 - managing my RESP? services and commissions?If so, how much is each fee and when do I pay it?
- Do I need to make regular payments? What will happen if I can no longer make my regular payments?
- Which post-secondary school programs are excluded from educational assistance payments (EAPs)?
- What will happen if my child does not continue their education after high school?
- If I close my RESP early, will I:
 - have to pay fees or penalties?
 - get back the money I contributed to the plan?
 - lose the interest earned in the RESP?
 - be able to transfer the money to another type of RESP or registered investment product?

Are you thinking about opening a Registered Education Savings Plan (RESP) to save for your child's education after high school? If so, it is important that you do your research before deciding on which RESP is right for you.

What is an RESP?

An RESP is an education savings account that helps you, your family or your friends save early for a child's education after high school.

With an RESP, a child may be able to receive education savings incentives (money from the Government), such as the:

- Canada Learning Bond;
- Canada Education Savings Grant; and
- a provincial education savings incentive (where applicable).

Who offers RESPs?

RESPs are provided by financial institutions (banks or credit unions), certified financial planners and scholarship plan dealers.

What do I need to know when choosing an RESP promoter?

It is important to choose the RESP promoter that best suits your needs.

An RESP promoter can help you choose the type of RESP that is right for you.

Some RESP promoters may ask you to pay for their services, and put conditions on RESPs, so it is important to ask the right questions and get all the facts to ensure you find the RESP promoter that is right for you.

As with any contract, RESP promoters may include specific terms and conditions on the RESP. Some put conditions on the payments you will make and/or on the education savings incentives your child may receive from the RESP.



Canada.ca/education-savings



Employment and
Social Development Canada

Emploi et
Développement social Canada

Canada

Before signing the contract to open an RESP

Ask your RESP promoter to give you all the information in writing.

Read all the documents. Pay attention to the details (fees, penalties, commissions and educational assistance payments). If you don't understand something, don't sign, and ask the RESP promoter to explain.

Take your time and compare the advantages and risks of the different types of RESPs (family, individual or group). You have the right to look over all the information before making a decision.

After signing the contract

Keep a copy of all the signed documents.

Ask your RESP promoter to help you complete the application form entitled: "APPLICATION: Basic and Additional Canada Education Savings Grant (CESG) and Canada Learning Bond (CLB)" as well as the appropriate annexes or additional forms for provincial education savings incentives.

Where can I get help or more information?

Government of Canada

☎ **1 800 0-Canada** (1-800-622-6232)

ATS : **1-800-926-9105**

🏠 Visit a **Service Canada Office** near you

Canada Revenue Agency for questions about income tax and benefits **1-800-959-8281**

Financial Consumer Agency of Canada for information to help you better manage your money **1-866-461-3222**



Canada Education Savings Plan - Choosing the right RESP brochures

This publication is available for download at canada.ca/publiccentre-ESDC.

It is also available upon request in multiple formats (large print, MP3, braille, audio CD, e-text CD, or DAISY), by contacting 1 800 0-Canada (1-800-622-6232). By teletypewriter (TTY), call 1-800-926-9105.

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