

La Capitale HBP-RRSP Loan Procedure

Forms to be completed (PDF files)

- HBP-RRSP Loan Contract T129
- Application/Instructions for RSP (for the HBP) T016
- Home Buyers' Plan (HBP) – Request To Withdraw Funds From an RRSP (T1036)

Document required

- Last year's notice of assessment confirming availability of the amount borrowed

Administration fees

Administrative fees for the HBP-RRSP Loan come to \$285, regardless of the loan amount, and the cheque must be payable to La Capitale Civil Service Insurer.

Sending documents

All documents indicated must be sent to:

La Capitale
Operations, Savings and Financial Services
625 Jacques-Parizeau St
Quebec QC G1R 2G5

The Savings and Financial Services Department will open a file and follow the procedure below:

1. Upon receiving complete documents that are in order, the Savings and Financial Services Department will process the loan and invest the funds.
2. An investment certificate will be sent to the client. In addition, the broker can see the client's portfolio in the Advisor Centre.
3. The tax slip is issued within the first 60 days of the year. A T4RSP slip confirming the RRSP withdrawal will be issued. There are no tax deductions since the withdrawal was made for the HBP. The client will receive a tax slip showing an amount that includes the capital plus interest paid.

Clients wishing to cancel their application once the loan has already been reimbursed must contact the government to obtain information on tax treatment.

The administrative fees in the amount of \$285 are not reimbursed if the loan is cancelled.

Maximum amount

The maximum amount that can be withdrawn from an RRSP under the HBP is \$35,000. However, for administrative reasons, La Capitale has set the limit of the HBP-RRSP loan at \$34,500. For example, for a loan of \$34,500, interest in the amount of \$340.27 is added. Your tax slip will show an amount of \$34,840.27. If you are withdrawing funds from several institutions, you should take this calculation into account.

HBP reimbursement

The same tax rules apply to the HBP reimbursement, even if the amounts were borrowed.

<http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/rrsp-reer/hbp-rap/menu-eng.html>

For more information, please contact your General Agent or contact us at solution@lacapitale.com.

1. LENDER

La Capitale Civil Service Insurer Inc.
625 Jacques-Parizeau St., Quebec QC G1R 2G5
Licence No.: 16161

2. BORROWER

Male Female

Last name

First name

No. Street

Apt.

City

Province

Postal code

Tel. (daytime)

Date of birth (YYYY/MM/DD)

Social Insurance Number

Current employer

Position

3. TERMS AND CONDITIONS

**Maximum
\$34,500.00**

This date must correspond to the signature date on the application form.

The borrower must not be the owner of an eligible property more than 30 days prior to the RRSP withdrawal. The RRSP withdrawal may not be made prior to the 91st day.

- Fixed-interest personal demand loan
- 90-day non-redeemable RRSP GIC investment
- Loan annual interest rate = GIC annual interest rate, i.e. 4%

Amount requested: _____

4. REPRESENTATIVE

Male Female

Last name

First name

Broker's code

General agent

Tel. (daytime)

E-mail

5. REQUIRED DOCUMENTS

- Application/Instructions
- Home Buyers' Plan (HBP) – Request To Withdraw Funds From an RRSP (T1036)
- Cheque for administrative fees of \$285 made out to: La Capitale Civil Service Insurer

GIVE A COPY OF LOAN CONTRACT TO BORROWER

6. BORROWER'S DECLARATION AND INSTRUCTIONS

This loan application is being submitted as part of the Home Buyers' Plan, as provided for under section 146.01 of the Income Tax Act.

The proceeds of this loan shall be deposited in a Registered Retirement Savings Plan, which shall be issued in my name by La Capitale Civil Service Insurer inc. (La Capitale) under plan number RRSP 220-013.

At the end of the 90-day period, please close my RRSP and repay the loan using the proceeds of the redeemed RRSP.

I acknowledge that this withdrawal request may not be revoked without prior written authorization from La Capitale and that I may not claim any damages and have no rights of recourse against La Capitale. Without limiting the foregoing, any harmful fiscal or legal consequences, as well as any accounting fees and other costs for which I may be liable further to this withdrawal shall, under no circumstances, be assumed by La Capitale.

I also authorize La Capitale, upon completion of the withdrawal, to repay the principal and interest on the loan in full, following the deduction at source of the mandatory federal and provincial taxes in accordance with tax regulation, if applicable.

I undertake to sign all documents related to this transaction in order to give full effect to them.

7. LOAN

I, the undersigned, acknowledge that I owe La Capitale Civil Service Insurer Inc. (La Capitale) the amount of _____ dollars (\$ _____) (principal loaned).

The proceeds of this loan will be used to acquire a Registered Retirement Savings Plan contract from La Capitale under the Home Buyers' Plan (HBP).

The amount loaned will be repaid directly from the acquired RRSP.

The interest calculated on the amount loaned between now and the repayment date will be equivalent to that paid under the RRSP contract.

I consent to reimburse the principal loaned and all interest accrued at the request of La Capitale.

I authorize La Capitale to immediately issue the RRSP with my loan.

8. DECLARATION

The borrower acknowledges having read the terms and conditions of this contract and declares that all information contained herein is true and complete. The Borrower acknowledges receipt of a copy of the Contract.

X

Borrower's signature

Date (YYYY/MM/DD)

X

Financial security advisor's signature

Date (YYYY/MM/DD)

GIVE A COPY OF LOAN CONTRACT TO BORROWER

1. DESCRIPTION

New client
 or
 Current client

Contributing contractholder
 or
 Spousal (Enter spouse's personal information)

Client No.: _____

2. CONTRACTHOLDER'S PERSONAL INFORMATION

Last name _____ First name _____ Occupation (mandatory) _____ Gender: M F

Address (No., street, apartment) _____ Social Insurance No. _____

City _____ Postal code _____ Date of birth _____

Year _____ Month _____ Day _____

Employer (current or past) _____ Employer's address _____

3. SPOUSE'S PERSONAL INFORMATION – COMPLETE ONLY IN THE CASE OF A CONTRIBUTING SPOUSAL RRSP

Last name _____ First name _____ Occupation (mandatory) _____ Gender: M F

Address (No., street, apartment) _____ Social Insurance No. _____

City _____ Postal code _____ Date of birth _____

Year _____ Month _____ Day _____

Employer (current or past) _____ Employer's address _____

4. BENEFICIARY DESIGNATION IN THE EVENT OF DEATH

Contractholder's estate

5. SOURCE OF FUNDS

HBP-RRSP loan _____ \$ _____
 Borrower's name _____ Amount

PLEASE GIVE YOUR CLIENT A COPY OF THE APPLICATION FORM

6. INVESTMENT INSTRUCTIONS

GIC	\$	90 days	Simple	NR
Product	Amount	Indicate the selected term	Interest	Non-redeemable

7. RATE GUARANTEE

The rate posted at the time the contract is signed is guaranteed, provided that payment is received within the time limit set from the signing of the contract to the receipt of the funds. This period must not exceed 12 days. If this condition is not met, the rate in effect on the date that payment is received will apply.

8. CONTRACTHOLDER'S DECLARATION AND APPLICATION FOR REGISTRATION

- I have verified the information contained in this application and certify it to be true and complete.
- I am applying for a Savings Annuity contract based on this information.
- I hereby request that the Insurer register my plan as a Registered Retirement Savings Plan (RRSP) in accordance with Tax Legislation.

Signed at: _____ on this _____ day of _____ 20 _____.

Name of contractholder (please print)

Name of witness (please print)

X

Signature of contractholder

Name of financial security advisor (please print)

X

Signature of financial security advisor

Code

Email address

PLEASE GIVE YOUR CLIENT A COPY OF THE APPLICATION FORM

Home Buyers' Plan (HBP) Request to Withdraw Funds from an RRSP

Protected B
when completed

Use this form to make a withdrawal from your registered retirement savings plan (RRSP) under the Home Buyers' Plan (HBP). Fill out Part A of Area 1 to determine if you are eligible to make a withdrawal from your RRSP under the HBP. Although some conditions may apply to another person in certain situations, you (the participant) are responsible for making sure that all the conditions are met. For more information about the HBP, go to www.cra.gc.ca/hbp. **Generally, you must receive all your HBP withdrawals in the same calendar year. The maximum you can withdraw is \$25,000.** Fill out Area 1 and give the form to your financial institution.

Area 1 – To be filled out by the participant

Part A – Fill out the following questionnaire to determine if you can make a withdrawal from your RRSP under the HBP	
<p>1. Are you a resident of Canada?</p> <p><input type="checkbox"/> Yes – Go to question 2. <input type="checkbox"/> No – You cannot make an HBP withdrawal.</p> <p>2. Has the person buying or building a qualifying home entered into a written agreement to do so?</p> <p><input type="checkbox"/> Yes – Go to question 3a). <input type="checkbox"/> No – You cannot make an HBP withdrawal.</p> <p>3a). Have you ever, before this year, withdrawn funds from your RRSP under the HBP to buy or build a qualifying home?</p> <p><input type="checkbox"/> Yes – Go to question 3b). <input type="checkbox"/> No – Go to question 4a).</p> <p>3b). Are you making this request in January as part of the participation you began last year?</p> <p><input type="checkbox"/> Yes – Go to question 4a). <input type="checkbox"/> No – Go to question 3c).</p> <p>3c). Was your repayable balance from your previous HBP participation zero on January 1 of this year?</p> <p><input type="checkbox"/> Yes – Go to question 4a). <input type="checkbox"/> No – You cannot make an HBP withdrawal.</p> <p>4a). Are you a person with a disability?</p> <p><input type="checkbox"/> Yes – Go to question 5. <input type="checkbox"/> No – Go to question 4b).</p>	<p>4b). Are you withdrawing funds from your RRSP to buy or build a qualifying home for a related person with a disability or to help such a person buy or build a qualifying home?</p> <p><input type="checkbox"/> Yes – Go to question 5. <input type="checkbox"/> No – Go to question 4c).</p> <p>4c). At any time during the period beginning January 1 of the fourth year before the year of the withdrawal and ending 31 days before the date of the withdrawal, did you or your spouse or common-law partner own a home that you occupied alone or with that other individual while you were spouses or common-law partners?</p> <p style="text-align: center;">Yes – You are not considered to be a first-time home buyer and you cannot make an HBP withdrawal. <input type="checkbox"/> No – Go to question 5</p> <p>5. Does the person buying or building the qualifying home intend to occupy it as his or her principal place of residence no later than one year after buying or building it? If you are acquiring the home for a related person with a disability or helping a related person with a disability acquire the home, you must intend that the related person with a disability occupy the home as his or her principal place of residence.</p> <p><input type="checkbox"/> Yes – Go to question 6. <input type="checkbox"/> No – You cannot make an HBP withdrawal.</p> <p>6. Has the person who is buying or building the qualifying home or his or her spouse or common-law partner owned the home more than 30 days before receiving this withdrawal?</p> <p><input type="checkbox"/> Yes – You cannot make an HBP withdrawal. <input type="checkbox"/> No – You are eligible (complete Part B below).</p>

Part B – Fill out this part to make a withdrawal from your RRSP under the HBP			
First name and initial(s)	Last name	Social insurance number	
Address of qualifying home being bought or built (include number, street, rural route, or lot and concession number)			If you are a person with a disability, tick this box. <input type="checkbox"/>
City	Province or Territory	Postal code	Telephone number
If you answered yes to question 4b) above, provide the following information about that person:			
_____	_____	_____	
Person's name	Relationship to you	SIN of person with the disability	

Part C – Certification		
Amount of requested withdrawal \$ _____	Date withdrawal required	Year Month Day
I certify that the information given on this form is correct and complete. _____ Participant's signature	Date	Year Month Day
	Account number of the RRSP from which the withdrawal is made	

Area 2 – To be filled out by the RRSP issuer (Do not send us this form. Keep it for your records.)		
Issuer's name	Telephone number	Amount of the withdrawal (maximum \$25,000) \$ _____
Issuer's address		Date withdrawal paid
		Year Month Day

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source at www.cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, Personal Information Bank CRA PPU 005.