

**Explanatory Document for Form 1**  
**Attestation regarding withdrawal based on financial hardship**

NOTE: If you intend to make more than one withdrawal for financial hardship in the same calendar year, you must do so within 30 days of your first withdrawal.

Financial hardship allows for withdrawing funds based on either one of the following (or a combination of both):

low income based	The low income unlocking is defined by a sliding scale. If your expected income for the year (from Jan.1 to Dec. 31) is \$0, a withdrawal of up to \$23,600 <sup>1</sup> is permitted. If your expected income is \$35,400 or higher, you have reached the maximum limit for unlocking and are therefore ineligible.
high medical or disability-related costs	For financial hardship unlocking based on medical costs, these expected costs must be of 20% or more of your expected income for the year. You may withdraw an amount up to the full medical cost subject to a maximum amount of \$23,600.

This form must be filled out if you wish to make a financial hardship withdrawal. You must also fill out Form 2: [Attestation Regarding Spouse/Common-Law Partner](#)

**Section 1:**

Enter the name of the financial institution that is holding your funds.

**Section 2:**

List all funds that you wish to unlock funds from. Include the account number, the type of plan, the financial institution's name.

**Section 3:**

This section sets out the attestations you must make.

- If you are withdrawing for medical/disability costs, you must attest that the statements listed in 3(A) (a) to (d) are true by checking those four boxes.
- If you are withdrawing based on low income, you must make the attestation in 3(B), and you must also make the attestation in 3(A)(d) by checking those two boxes.

**Section 4:**

To calculate the amount eligible for unlocking, on the basis of low income or medical/disability related costs, or both, please fill in Table 4 (Amount Sought for Withdrawal). The following instructions (p.3) will help you fill out Table 4.

**Section 5:**

You must sign this form as a sworn affidavit.

Table 4

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<sup>1</sup> The figures found in the document reflect the amounts for 2010. They are valid for withdrawals up to December 31<sup>st</sup>, 2010. These amounts are based on the YMPE (Yearly Maximum Pensionable Earnings), which is the maximum amount of earnings on which contributions to the Canada Pension Plan (CPP) are based. It is updated annually by the federal government based on the average industrial wage in Canada. You can get information on the CPP pensionable earnings ceiling from the Canada Revenue Agency.

A	Expected income in this calendar year determined in accordance with the <i>Income Tax Act</i> .	\$ _____		
B	Total financial hardship withdrawals made during the calendar year from all federally-regulated locked-in registered retirement savings plans, life income funds, restricted life income funds and restricted locked-in savings plans.	\$ _____		
	B(i): total low income component of B is	\$ _____		
	B(ii): total medical and disability-related income component of B is	\$ _____		
C	50% of the Year's Maximum Pensionable Earnings as defined in the <i>Pension Benefits Standards Act, 1985</i> .	\$ _____		

**CALCULATION OF LOW INCOME COMPONENT OF WITHDRAWAL**  
(To be completed only if seeking withdrawal under this component.)

D	Low Income Withdrawal component. Enter amount from D(iv) if greater than zero otherwise enter "0"			\$ _____
	D(i) A - B		\$ _____	
	D(ii) 66.6% of D(i)		\$ _____	
	D(iii) C - D(ii)		\$ _____	
	D(iv) D(iii) - B(i)		\$ _____	

**CALCULATION OF MEDICAL AND DISABILITY-RELATED COMPONENT OF WITHDRAWAL**  
(To be completed only if seeking withdrawal under this component.)

E	Total Expected Medical and Disability-related Expenditures for which unlocking is being sought. Enter amount from E(v)			\$ _____
	E(i) Total Expected Medical and Disability-related Expenditures in the calendar year, that a medical doctor certifies are required.		\$ _____	
	E(ii) A - B		\$ _____	
	E(iii) 20% of E(ii)		\$ _____	
	E(iv) If E(i) is greater than or equal to E(iii) enter E(i) otherwise enter "0"		\$ _____	
E(v) Enter the lesser of E(iv) and C		\$ _____		

**CALCULATION OF FINANCIAL HARDSHIP WITHDRAWAL**

F	Total Amount Eligible for Financial Hardship Withdrawal. Enter amount from F(ii)			\$ _____
	F(i) D + E		\$ _____	
	F(ii) C - B		\$ _____	
	F(iii) Enter lesser of F(i) and F(ii)		\$ _____	
G	Total Amount Applicant Wishes to Withdraw. Enter F or a lesser amount			\$ _____

**Table 4 Instructions**

**Section A**

Enter the amount of your expected personal net income for the present year (from Jan. 1 to Dec. 31). You may base this on last year’s net income, found on your Tax return from 2009, T1 Line 236. This is pre-tax net income. It does not mean household income.

Note: If your expected net income is lower than last year’s net income, use the lower amount.

Note: If you have already made a withdrawal for financial hardship, this amount should be included when entering the amount of expected income.

A	Expected income in this calendar year determined in accordance with the <i>Income Tax Act</i> .	\$_____		
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**Section B**

Enter the total amount in dollars of the money you have already withdrawn this year (from Jan. 1 to Dec. 31) on the basis of financial hardship. If you have not withdrawn any money this year, enter “\$0” for in B, B(i) and B(ii).

NOTE: If you intend to make more than one withdrawal for financial hardship in the same calendar year, you must do so within 30 days of your first withdrawal.

B(i)

Enter the total amount in dollars of the amount in B that was withdrawn based on low income

B(ii)

Enter the total amount in dollars of the amount in B that was withdrawn based on medical/disability.

B

Enter the total amount of B(i) + B(ii).

B	Total financial hardship withdrawals made during the calendar year from all federally-regulated locked-in registered retirement savings plans, life income funds, restricted life income funds and restricted locked-in savings plans.	\$_____		
	B(i): total low income component of B is	\$_____		
	B(ii): total medical and disability-related income component of B is	\$_____		



**Section C**

Enter the amount that is 50% of the year's maximum pensionable benefits. For 2010, this amount is \$23,600.

C	50% of the Year's Maximum Pensionable Earnings as defined in the <i>Pension Benefits Standards Act, 1985</i> .	\$ _____		
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**Section D**

If your expected income is over \$35,400, enter "0" in D and go directly to section E. Otherwise, to calculate D, do the following:

D(i)

The amount you entered in A \_\_\_\_\_ - the amount you entered in B \_\_\_\_\_ = D(i)

D(ii)

66.6% of the amount in D(i) :  $D(i) \times 0.666 = D(ii)$  \_\_\_\_\_

D(iii)

The amount you entered in C \_\_\_\_\_ - the amount you entered in D(ii) \_\_\_\_\_ = D(iii)

D(iv)

The amount you entered in D(iii) \_\_\_\_\_ - the amount entered in B(i) = \_\_\_\_\_

Enter this amount at D.

D	Low Income Withdrawal component.			
	Enter amount from D(iv) if greater than zero otherwise enter "0"			\$ _____
	D(i)	A - B	\$ _____	
	D(ii)	66.6% of D(i)	\$ _____	
	D(iii)	C - D(ii)	\$ _____	
	D(iv)	D(iii) - B(i)	\$ _____	



**Section E**

The value for E is your permitted medical/disability withdrawal component. If you are not making a withdrawal based on medical/disability expenditures, enter "\$0" in E and go directly to section F. Otherwise, to calculate E, do the following:

E(i)

Enter total expected amount of medical/disability related expenditures. If you do not wish to withdraw on the basis of medical/disability related expenditure enter "0".

E(ii)

The amount you entered in A \_\_\_\_\_ – the amount you entered in B \_\_\_\_\_ = E(ii)

(Note: This should be the same amount as entered previously in D(i).)

E(iii)

20% of the amount you entered in E(ii) :  $E(ii) \times 0.20 = E(iii)$  \_\_\_\_\_

E(iv)

If the amount you entered in E(i) \_\_\_\_\_ is greater than or equal to the amount you entered in E(iii) \_\_\_\_\_, the amount to enter for line E(iv) is the same as the amount found at E(i).

If the amount you entered in E(i) \_\_\_\_\_ is smaller than the amount you entered in E(iii) \_\_\_\_\_, the amount to enter for line E(iv) is "0".

E(v)

Compare the amounts you entered in E(iv) \_\_\_\_\_ and C \_\_\_\_\_. Enter the smaller amount in E.

E	Total Expected Medical and Disability-related Expenditures for which unlocking is being sought. Enter amount from E(v)			\$ _____
	E(i) Total Expected Medical and Disability-related Expenditures in the calendar year, that a medical doctor certifies are required.		\$ _____	
	E(ii) A - B		\$ _____	
	E(iii) 20% of E(ii)		\$ _____	
	E(iv) If E(i) is greater than or equal to E(iii) enter E(i) otherwise enter "0"		\$ _____	
	E(v) Enter the lesser of E(iv) and C		\$ _____	



**Section F**

The value for F is your total permitted withdrawal for financial hardship.

Enter the amount from the following calculations:

F(i)

The amount you entered in D \_\_\_\_\_ + the amount you entered in E \_\_\_\_\_ = F(i)

F(ii)

The amount you entered in C \_\_\_\_\_ - the amount you entered in B \_\_\_\_\_ = F(ii)

F(iii)

Compare the amounts you entered in F(i) \_\_\_\_\_ and F(ii) \_\_\_\_\_. Enter the smaller amount in F. This is the total maximum amount that is eligible for financial hardship withdrawal.

F	Total Amount Eligible for Financial Hardship Withdrawal. Enter amount from F(iii)			\$ _____
		F(i) D + E	\$ _____	
		F(ii) C - B	\$ _____	
		F(iii) Enter lesser of F(i) and F(ii)	\$ _____	



**Section G**

Enter the amount you wish to withdraw. This amount can be less than or equal to the amount found in F.

G	Total Amount Applicant Wishes to Withdraw. Enter F or a lesser amount			\$ _____
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