



Ontario LIF

Quick Reference Guide

This document is provided as a quick reference to support day-to-day processing. It does not replace official policies or procedures, and additional requirements may apply depending on the circumstances. When in doubt, please reach out to League Savings and Mortgage for guidance.

1. Overview

- Ontario Schedule 1.1 LIF and Schedule 1 LIF governed under Ontario PBA
- 50% unlocking permitted within 60 days of transfer to a LIF.

2. Transfer-In Requirements (ON LIF)

- Minimum age is 55 unless a copy of the pension plan provision is required and says otherwise.
- Registered Transfer form must be sent to the existing FI.
- RRIF application package must be completed, including a direct deposit form or void cheque.
- Ontario LIF Addendum must be completed.
- If transfer from a LIRA or RPP, only eligible for 50% unlocking within 60 days of transfer.
- If transferring from a LIRA or RPP, Spousal consent is required to open a Schedule 1.1 LIF unless there is no spouse (Pension Funds Declaration of No Spouse would be required).

3. Special Withdrawals – Ontario LIF

Fees

- All unlocking requests are subject to an unlocking fee.
- For funds to be withdrawn, an additional redemption fee applies.
- Additional fees may apply, please refer to our deposit disclosure for more information.

50% Unlocking

- Annuitant may unlock up to 50% of funds transferred from a LIRA/RPP to a Schedule 1.1 LIF.
- Request must be made within 60 days of transfer to the Schedule 1.1 LIF. Requests after 60 days will not be processed.



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- Complete form 5.2 – Application to withdraw or transfer up to 50% of the Money Transferred into a Schedule 1.1 LIF.
- Spousal consent required
- Funds may be received as:
 - Cash withdrawal – RRIF Withdrawal form required and withholding taxes will be held.
 - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.
 - Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

Shortened Life Expectancy

- Applies if life expectancy of annuitant is shortened to less than 2 years by illness or physical disability.
- Complete form 5 – Application to withdraw or transfer money from an Ontario locked-in account.
- Physician completes page 5 of form 5. Alternatively, physician may provide a letter.
- Spousal consent is required
- Funds must be received as a lump sum cash withdrawal – RRIF Withdrawal form required and withholding taxes will be held.

Release of Small Amounts

- The annuitant must be 55 years or older on the date of application.
- The total of all Ontario LIRA, LIF and LRIF contracts must be less than 40% of the current year YMPE.
- Complete form 5 – Application to withdraw or transfer money from an Ontario locked-in account.
- Spousal consent is required
- Funds may be received as:
 - Cash withdrawal – RRIF Withdrawal form required and withholding taxes will be held.
 - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.
 - Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

Release to Non-residents

- Must provide a determination from the CRA that annuitant is a non-resident for the purposes of the Income Tax Act.
- Application permitted only after 24 months following departure from Canada.
- Complete form 5 – Application to withdraw or transfer money from an Ontario locked-in account.



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- Spousal consent is required
- Funds must be received as a cash withdrawal - RRIF Withdrawal form required and withholding taxes will be held.

Financial Hardship

- Application may only be made once per calendar year for each category, regardless of the outcome.
- Application must be made on the form for the year of request, a previous year form will not be accepted.
- Spousal consent is required.
- Funds must be received as a cash withdrawal – RRIF withdrawal form is required and withholding taxes will be held.
- Categories for financial hardship are as follows:

Medical Expenses

- Includes medical or dental expenses, or renovations to principal residence for medical reasons.
- Complete Financial Hardship Unlocking FORM FHU 1 – Application for medical expenses
- Maximum amount of withdrawal is the lesser of
 - 50% of current year YMPE **or**
 - The total of the medical expenses incurred plus an estimate of total medical expenses for the next 12 months.
- A statement signed by physician or dentist must be included.
- Copies of receipts or estimates must be included.

Arrears of Rent or Mortgage

- Complete Financial Hardship Unlocking FORM FHU 2 – Application for Arrears of Rent or Secured Debt (Mortgage).
- Maximum amount of withdrawal is the lesser of
 - 50% of the current year YMPE **or**
 - The total amount of arrears plus the total amount of rent payable for the next 12 months **or** total amount of payments in default of a mortgage, plus total amount of payments due plus interest payable for the next 12 months.
- Must provide a copy of the demand for arrears/default. It must refer to the annuitants principal residence and can't be dated more than 12 months before we receive it.

First and Last Month's Rent

- Complete Financial Hardship Unlocking FORM FHU 3 – Application for First and Last Month's rent
- Maximum amount of withdrawal is the lesser of
 - 5% of the current year YMPE **or**



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- The amount required for first and last months' rent.
- If the annuitant has a copy of the rental agreement in theirs or their spouse's name it must be included.

Low Expected Income

- Complete Financial Hardship Unlocking FORM FHU 4 – Application for low expected income
- Maximum withdrawal is 50% of the current year YMPE minus 75% of the annuitants total expected income from all sources, before taxes, for the next 12 months.