



Ontario LIRA

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 Locked-In Retirement Accounts (LIRA) governed under Ontario pension legislation.

2. Transfer-In Requirements

- Registered Transfer Form is signed and sent to the original FI.
- RRSP Application package must be completed.
- LIRA Locked-In Addendum must be completed.

3. Special Withdrawals – Ontario LIRA

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- For funds to be withdrawn, an additional redemption fee applies.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.

Shortened Life Expectancy

- Life expectancy must be less than 2 years.
- Application must be submitted using Form 5 – Application to withdraw or transfer money from an Ontario locked-in account.
- Signature must not be dated more than 60 days prior to LSM receipt of form 5.
- Physician must complete Part 5 or provide a medical letter.
- Spousal consent required
- Lump sum cash withdrawal – RRSP Withdrawal form is required.

Release of Small Amounts

- Annuitant must be age 55 or older.
- Total Ontario locked-in holdings must be less than 40% of current YMPE.
- Application completed using Form 5 – Application to withdraw or transfer money from an Ontario locked-in account.



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- Spousal consent required
- Funds may be received as:
 - Cash withdrawal – RRSP 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.

Non-Resident Withdrawal

- Must provide CRA determination of non-residency.
- Application made using Form 5 – Application to withdraw or transfer money from an Ontario locked-in account.
- Spousal consent is required.
- Application permitted only after 24 months of leaving Canada.
- Lump sum cash withdrawal – RRSP Withdrawal form is required.

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 – RRSP 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 resident 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



LEAGUE SAVINGS AND MORTGAGE

- 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**
 - 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.