



# FP-BoK Topic 06: Registered Education and Disability Plans

Version: 2.1.0  
Last Updated: November 1, 2023

## TOPIC 06 OVERVIEW: REGISTERED EDUCATION AND DISABILITY PLANS

Both CFP professionals and QAFP professionals are expected to possess knowledge of the intricacies of Registered Education Savings Plans (RESP) and Registered Disability Savings Plans (RDSP) so that they may assist clients to achieve education-related goals and goals for individuals with a disability.

Knowledge pertaining to the options upon death of an RESP subscriber, RESP beneficiary or RDSP beneficiary is expected of CFP professionals only.

| Sub-Topic  | Knowledge Topics Common to Both QAFP Professionals and CFP Professionals | Knowledge Topics For Which CFP Professionals Are Expected to Have Deeper Knowledge |
|--|--|--|
| 6.1 Foundations of Education   | ✔  | ✔  |
| 6.2 Registered Education Savings Plan (RESP)                                       | ✔  | ✔  |
| 6.3 Foundations of Disabilities  | ✔  | ✔  |
| 6.4 Registered Disability Savings Plan (RDSP)                                      | ✔  | ✔  |
| 6.5 Options Upon the Death of Parties to Registered Education and Disability Plans |  | ✔  |

## Taxonomy of the FP-BoK

The **verbs** used in the FP-BoK articulate the depth of knowledge expected of QAFP professionals and CFP professionals. The verbs are grouped into four **knowledge levels** which set out the depth or level of knowledge required for each knowledge topic.

### KNOWLEDGE LEVELS

| Knowledge Level | Associated Verbs Used in the BoK                 |
|-----------------|--|
| Awareness       | Define, Identify                                 |
| Understanding   | Explain  |
| Application     | Determine, Compare, Estimate, Calculate, Convert |
| Evaluation      | Evaluate, Interpret                              |

### GLOSSARY OF VERBS USED IN THE FP-BOK

| Verb      | Description   |
|-----------|---|
| Define    | To state exactly the meaning of   |
| Identify  | To be aware of / to recognize and correctly name / to locate an appropriate resource                                |
| Explain   | To make clear the meaning of / to describe something in more detail or reveal relevant facts or ideas related to it |
| Determine | To ascertain / to come to a decision, such as by investigation or reasoning   |
| Compare   | To note the similarities and differences between two or more things   |
| Estimate  | To determine an approximate value for   |
| Calculate | To find the value using mathematics   |
| Convert   | To change from one form or purpose to another   |
| Evaluate  | To reach a conclusion or make a through careful study   |
| Interpret | To give the meaning of / to construe or understand / to translate orally  |

## TOPIC 06 KNOWLEDGE REQUIREMENTS

### 6.1 FOUNDATIONS OF EDUCATION

#### 6.1.1 FOUNDATIONS OF EDUCATION

##### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Identify the key trends affecting education savings, such as:
  - Cost of education
  - Reliance on self-funding
  - Relationship breakdown / divorce
  - Longer periods of enrolment
  - Levels of student debt
- Identify the costs associated with education, such as:
  - Tuition and related fees
  - Books and other resources
  - Rent / Residence expenses
  - Meal plans / food expenses
  - Commuting expenses
- Explain the sources of education funding, such as:
  - Savings
  - Registered Education Savings Plan
  - Cash flow (employment, trust, investment)
  - Family support
  - Government grants, bursaries
  - Educational organization scholarships
  - Community / corporate scholarships
  - Government student loans / assistance programs
  - Lifelong Learning Plan withdrawal from Registered Retirement Savings Plan
  - Borrowing using credit facilities
- Define the time horizons associated with education.
  - Accumulation period
  - Withdrawal period
  - Repayment period for student loans
- Identify roadblocks to saving for education during the accumulation phase, such as:
  - Cash flow limitations
  - Debt load
  - Procrastination
  - Reliance on government benefits
  - Lack of awareness regarding cost of education

- Lack of awareness of savings programs available
  - Personal attitudes / choices
- Identify how each of the elements may impact the ability to meet an education goal:
  - Frequency of savings during accumulation period
  - Amount of savings during accumulation period
  - Growth rate of assets
  - Family dynamics
  - Income required during withdrawal period
  - Income sources during withdrawal period
  - Risk tolerance
  - Debt levels
  - Personal attitudes

### **Additional Knowledge Expected of CFP Professionals**

- Determine how each of these factors may impact the ability to meet an education goal:
  - Frequency of savings during accumulation period
  - Amount of savings during accumulation period
  - Growth rate of assets
  - Family dynamics
  - Income required during withdrawal period
  - Income sources during withdrawal period
  - Risk tolerance
  - Debt levels
  - Personal attitudes

## 6.2 REGISTERED EDUCATION SAVINGS PLAN (RESP)

### 6.2.1 RESP ATTRIBUTES

#### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Define a Registered Education Savings Plan.
- Identify that a Registered Education Savings Plan is associated with accumulating assets for post-secondary education.
- Identify for whom a Registered Education Savings Plan may be suitable.
- Explain advantages associated with a Registered Education Savings Plan.
- Define the parties to a Registered Education Savings Plan.
  - The promoter
  - The subscriber
  - The beneficiary
- Explain the role of each of the parties to a Registered Education Savings Plan.
- Define the types of Registered Education Savings Plans.
  - Family
  - Specified (Individual)
- Explain the parties who may be a subscriber of a Registered Education Savings Plan.
  - For a specified plan
  - For a family plan
- Explain the circumstances when a new subscriber may be permitted to replace the original subscriber on a Registered Education Savings Plan.

#### Additional Knowledge Expected of CFP Professionals

- Identify qualified investments as prescribed by the Canada Revenue Agency that may be held in a Registered Education Savings Plan.

### 6.2.2 RESP CONTRIBUTIONS

#### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Identify the requirements to contribute to a Registered Education Savings Plan.
- Identify the annual contribution limit that may be made for each beneficiary to a Registered Education Savings Plan.
- Identify the lifetime contribution limit that may be made for each beneficiary to a Registered Education Savings Plan.
- Identify the tax implication when an excess contribution exists for a Registered Education Savings Plan.
- Identify the parties who are responsible for an excess contribution for a Registered Education Savings Plan.

- Identify the contributions made by the Government of Canada to a Registered Education Savings Plan as part of the Canada Education Savings Program (CESP).
- Identify the basic Canada Education Savings Grant that may be paid on all annual contributions made to all eligible Registered Education Savings Plans for a qualifying beneficiary.
- Identify the additional Canada Education Savings Grant based on family net income that may be paid on all annual contributions made to all eligible Registered Education Savings Plan for a qualifying beneficiary.
- Identify the maximum Canada Education Savings Grant to which a beneficiary of a Registered Education Savings Plan may be entitled.
  - Annually
  - Lifetime
- Estimate the total Canada Education Savings Grant that may be paid on all annual contributions made to all eligible Registered Education Savings Plans for a qualifying beneficiary.
- Identify the amount of Canada Education Savings Grant contribution room that each eligible qualified beneficiary accumulates.
- Explain how a beneficiary's entitlement to the Canada Education Savings Grant may be carried forward.
- Identify the years for which a qualified beneficiary may receive a Canada Education Savings Grant.
- Identify the requirements for a 16- or 17-year-old beneficiary to receive a Canada Education Saving Grant.
- Identify the amount of Canada Education Savings Grant to which a beneficiary may be entitled.
- Identify the requirements for a qualified beneficiary of a Registered Education Savings Plan to receive the Canada Learning Bond.
- Identify the amount of Canada Learning Bond to which a qualified beneficiary may be entitled.
- Identify the amount of the Canada Learning Bond provided to a Registered Education Savings Plan on behalf of a qualified beneficiary.
- Identify the impact on Canada Education Savings Grants and Canada Learning Bonds if a beneficiary does not attend a qualifying educational institution or program.
- Identify that other provincial education savings incentive programs may exist.
- Determine how each of these factors may impact the suitability of contributing to a Registered Education Savings Plan:
  - Expected tax rate of student at time of withdrawal
  - Availability of education grants and bonds

- Evaluate how each of the factors may impact the suitability of contributing to a Registered Education Savings Plan.

### 6.2.3 RESP WITHDRAWALS

#### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Define the types of payments that a promoter may pay from a Registered Education Savings Plan.
  - Educational Assistance Payment (EAP)
  - Accumulated Income Payment (AIP)
  - Refund of contributions to the subscriber or beneficiary
  - Payment to a designated educational institution in Canada
  - Repayments of amounts under the Canada Educational Savings Act or under a designated provincial program
  - Payment to a trust to accommodate transfers of property between Registered Education Savings Plans (RESP)
- Explain what each type of payment from a Registered Education Savings Plan may consist of.
- Explain to whom each type of payment from a Registered Education Savings Plan may be paid.
- Explain the tax treatment of each type of payment made from a Registered Education Savings Plan.
- Estimate the tax impact of withdrawing from a Registered Education Savings Plan.
- Explain the circumstances when an Education Assistance Payment may be made from a Registered Education Savings Plan.
- Define a qualifying educational program.
- Define a specified educational program.
- Define a post-secondary educational institution.
- Identify the maximum amount of Educational Assistance Payments that may be paid from a Registered Education Savings Plan.
  - For studies in a qualifying educational program
  - For studies in a specified educational program
- Identify that for circumstances in which the expenses of a program are substantially higher than the average, a promoter may contact the Canada Education Savings Program for a case-by-case approval.
- Explain the circumstances when an Accumulated Income Payment (AIP) may be made from a Registered Education Savings Plan.
- Identify by when a Registered Education Savings Plan must be terminated once an Accumulated Income Payment is paid.



- Explain the requirements to reduce the amount of an Accumulated Income Payment that is subject to tax.
- Determine how each of these factors may impact the suitability of withdrawing from a Registered Education Savings Plan:
  - Cash flow or income need
  - Tax impact
- Evaluate how each of the factors may impact the suitability of withdrawing from a Registered Education Savings Plan.

#### **6.2.4 RESP TRANSFERS**

##### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify potential reasons why an individual may choose to make a transfer into a Registered Education Savings Plan.
  - Voluntary choice by the subscriber
  - Death of a beneficiary
- Identify the types of plans from which amounts may be transferred into a Registered Education Savings Plan.
- Identify potential reasons why an individual may choose to make a transfer out of a Registered Education Savings Plan.
  - Beneficiary does not attend qualifying educational program
  - Voluntary choice by the subscriber
  - Death of a beneficiary
- Identify the options for a subscriber when the beneficiary of a Registered Education Savings Plan does not attend a qualifying program.
  - Transfer to the beneficiary's Registered Disability Savings Plan
  - Transfer to another Registered Education Savings Plan
  - Add a new beneficiary to the Registered Education Savings Plan
  - Transfer to the subscriber's Registered Retirement Savings Plan
- Identify the types of plans to which a transfer may be made from a Registered Education Savings Plan.
- Explain the requirements for a tax-deferred transfer from a Registered Education Savings Plan to a Registered Disability Savings Plan.
- Explain the impact resulting from a tax-deferred transfer from a Registered Education Savings Plan to a Registered Disability Savings Plan.
  - On contribution limit for the Registered Disability Savings Plan
  - Potential grants for the Registered Disability Savings Plan
  - Grants for the Registered Education Savings Plan
  - Treatment of future withdrawals from the Registered Disability Savings Plan
- Explain the requirements for transfers between Registered Education Savings Plans.

- Explain the potential risks associated with transfers between Registered Education Savings Plans.
- Identify that changing the beneficiary of a Registered Education Savings Plan is an alternative to transferring between Registered Education Savings Plans.
- Explain the requirements for a beneficiary of a Registered Education Savings Plan to be changed.
- Explain the requirements for a transfer from a Registered Education Savings Plan to a subscriber's Registered Retirement Savings Plan.
- Explain the estimated tax impact.
  - Resulting from a transfer between Registered Education Savings Plans
  - Resulting from changing a beneficiary on a Registered Education Savings Plan
  - Resulting from a transfer from a Registered Education Savings Plan to a subscriber's Registered Retirement Savings Plan
- Estimate the tax impact of making a transfer into a Registered Education Savings Plan.
- Determine how each of these factors may impact the suitability of transferring an amount into a Registered Education Savings Plan:
  - Available CESG or CLB
  - Tax impact
  - Cash flow needs
  - Time horizon until withdrawal required
- Evaluate how each of the factors may impact the suitability of transferring an amount into a Registered Education Savings Plan.
- Estimate the tax impact of transferring an amount out of a Registered Education Savings Plan.
- Determine how each of these factors may impact the suitability of transferring an amount out of a Registered Education Savings Plan:
  - Cash flow needs
  - Tax impact
  - Government legislation
  - Other beneficiaries who may benefit from funds
- Evaluate how each of the factors may impact the suitability of transferring an amount out of a Registered Education Savings Plan.

### **Additional Knowledge Expected of CFP Professionals**

- Identify potential reasons why an individual may choose to make a transfer into a Registered Education Savings Plan.
  - Breakdown of joint subscribers' relationship

- Identify potential reasons why an individual may choose to make a transfer out of a Registered Education Savings Plan.
  - Breakdown of joint subscribers' relationship

## **6.2.5 GROUP RESP (SCHOLARSHIP TRUST)**

### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify that a group Registered Education Savings Plan (Scholarship Trust) may be used as an alternative to accumulate assets for education.
- Explain the benefits that may be associated with a group Registered Education Savings Plan (Scholarship Trust).
- Explain the risks that may exist when using a group Registered Education Savings Plan (Scholarship Trust) to meet post-secondary education savings goals.
- Explain that a group Registered Education Savings Plan (Scholarship Trust) commonly obligates the subscriber to the plan to make continuous contributions (for specified times and specified times and amounts).

## **6.2.6 DEATH OF AN RESP BENEFICIARY**

### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify potential changes that may result upon the death of a beneficiary of a Registered Education Savings Plan.
  - On the contributions made to the plan
  - On Canada Education Savings Grants contributed to the plan
  - On Canada Learning Bonds contributed to the plan
  - On investment earnings within the plan
  - On the plan's status

### **Additional Knowledge Expected of CFP Professionals**

- Explain the tax impact resulting from the death of a Registered Education Savings Plan beneficiary.

## **6.2.7 DEATH OF AN RESP SUBSCRIBER**

### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify the subscriber owns the Registered Education Savings Plan contributions.
- Identify that the Registered Education Savings Plan contributions form part of the subscriber's estate.

### **Additional Knowledge Expected of CFP Professionals**

- Explain the risks that may be associated with the death of a Registered Education Savings Plan subscriber, such as:

- Loss of Canada Education Savings Grants and Canada Learning Bonds
  - Loss of contributions to creditors of deceased subscriber's estate
  - Loss of contributions to other beneficiaries of deceased subscriber's estate
- Explain methods that may be used to safeguard Registered Education Savings Plan contributions for the beneficiaries for whom they were intended.
- Explain the tax impact resulting from the death of a Registered Education Savings Plan subscriber.

## 6.3 FOUNDATIONS OF DISABILITIES

### 6.3.1 FOUNDATIONS OF DISABILITIES

#### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Explain that the long-term financial security of an individual with a disability may depend on:
  - Net income
  - Rate of savings
  - Amount of savings
  - Rate of return on assets
  - Debt levels
  - Long-term income needs
  - Long-term income sources
  - Long-term expenses
  - Inflation
  - Risk tolerance
  - Life expectancy
  - Unforeseen events (e.g., deterioration of disability, death of family / caregiver / person upon whom individual is dependent)
  - Personal attitudes / preferences
  - Cash flow limitations
  - Procrastination
  - Reliance on government benefits
  - Lack of awareness regarding potential costs associated with disability
  - Lack of awareness of savings programs available
  - Personal attitudes / choices
- Explain the sources of disability funding, such as:
  - Savings
  - Registered Disability Savings Plan
  - Cash flow (employment, trust, investment)
  - Family support
  - Government income / support programs
- Define the time horizons associated with disabilities.
  - Accumulation period
  - Withdrawal period
- Identify roadblocks to saving for individuals with disabilities during the accumulation phase, such as:
  - Cash flow limitations
  - Debt load

- Procrastination
- Reliance on government benefits
- Lack of awareness regarding cost of disability
- Lack of awareness of savings programs available
- Personal attitudes / choices
- Explain that the ability to meet an income goal for an individual with a disability may depend on:
  - Frequency of savings during accumulation period
  - Amount of savings during accumulation period
  - Growth rate of assets
  - Family dynamics
  - Income required during withdrawal period
  - Income sources during withdrawal period
  - Risk tolerance
  - Debt levels
  - Personal attitudes

## 6.4 REGISTERED DISABILITY SAVINGS PLAN (RDSP)

### 6.4.1 RDSP ATTRIBUTES

#### Knowledge Common to Both QAFP Professionals and CFP Professionals

- Define a Registered Disability Savings Plan.
- Identify that a Registered Disability Savings Plan is associated with accumulating assets for individuals with disabilities.
- Identify advantages associated with a Registered Disability Savings Plan.
- Define the parties to a Registered Disability Savings Plan.
  - The plan issuer
  - The plan holder
  - The beneficiary
- Identify the role of each of the parties to a Registered Disability Savings Plan.
- Identify the requirements to be a beneficiary of a Registered Disability Savings Plan.
- Identify the parties who may be a plan holder of a Registered Disability Savings Plan (RDSP).
  - When the beneficiary is under the age of majority
  - When the beneficiary has reached the age of majority and is contractually competent to enter into a plan
  - When the beneficiary has reached the age of majority but his or her contractual competency to enter into a plan is in doubt
  - When the beneficiary has reached the age of majority but is not contractually competent to enter into a plan
- Identify that a beneficiary may only have one Registered Disability Savings Plan.
- Identify the current financial support made by the Government of Canada to Registered Disability Savings Plans.
- Identify the amount of Canada Savings Disability Grant to which a beneficiary may be entitled.
- Identify the maximum Canada Savings Disability Grant to which a beneficiary of a Registered Disability Savings Plan may be entitled.
  - Annually
  - Lifetime
- Identify the period during which the beneficiary may receive the Canada Savings Disability Grant.
- Identify the amount of Canada Disability Savings Bond to which a beneficiary may be entitled.
- Identify the maximum Canada Disability Savings Bond to which a beneficiary of a Registered Disability Savings Plan may be entitled.
  - Annually
  - Lifetime

- Identify the period during which the beneficiary may receive the Canada Disability Savings Bond.
- Identify the events that will require the repayment of Canada Disability Saving Grant or Canada Disability Savings Bond amounts.
- Identify the amount of Canada Disability Savings Grants and Canada Disability Savings Bonds that must be repaid when events trigger a repayment requirement.
- Identify qualified investments as prescribed by the Canada Revenue Agency that may be held in a Registered Disability Savings Plan.
- Identify non-qualified investments as prescribed by the Canada Revenue Agency that may not be held in a Registered Disability Savings Plan.

### **Additional Knowledge Expected of CFP Professionals**

- Explain how family income is defined for the purposes of the Registered Disability Savings Plan Grant and Bond.
  - Until the end of the year in which the beneficiary turns 18
  - From the year in which the beneficiary turns 19 onwards
- Explain how the amount of the Canada Disability Savings Grant is determined.
  - Based on contribution
  - Based on family income
- Explain how a beneficiary's entitlement to the Canada Savings Disability Grant may be carried forward.
  - Since 2011
- Explain how the amount of the Canada Disability Savings Bond is determined.
- Explain how a beneficiary's entitlement to the Canada Disability Savings Bond may be carried forward.
  - Since 2011
- Explain the tax that may be imposed by the Canada Revenue Agency when a Registered Disability Savings Plan contains a non-qualified investment.

## **6.4.2 RDSP CONTRIBUTIONS**

### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify under what circumstances a contribution may be made to a Registered Disability Savings Plan.
- Identify the maximum lifetime contributions that can be made to a Registered Disability Savings Plan for a beneficiary.
- Identify the period during which contributions may be made to a Registered Disability Savings Plan.



### **Additional Knowledge Expected of CFP Professionals**

- Determine how each of these factors may impact the suitability of contributing to a Registered Disability Savings Plan:
  - Expected tax rate of disabled individual at time of withdrawal
  - Income need
  - Impact of future withdrawals on government benefits
- Evaluate how each of the factors may impact the suitability of contributing to a Registered Disability Savings Plan.

### **6.4.3 RDSP WITHDRAWALS**

#### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify how withdrawals from and income earned in a Registered Disability Savings Plan affect government benefit programs.
  - Federal government income-tested benefit programs
  - Provincial government income-tested benefit programs

### **Additional Knowledge Expected of CFP Professionals**

- Define a Specified Disability Savings Plan (SDSP).
- Define a specified year.
- Identify when a Registered Disability Savings Plan becomes a Specified Disability Savings Plan.
- Explain the impact of changing a Registered Disability Savings Plan to a Specified Disability Savings Plan.
  - Entitlement to future Canada Disability Savings Grants and Canada Disability Savings Bonds
  - Entitlement to carry forward of Canada Disability Savings Grant and Canada Disability Savings Bond
  - Maximum withdrawals permitted
- Define a Primarily Government Assisted Plan (PGAP).
- Define the Assistance Holdback Amount.
- Define the types of payments that may be made from a Registered Disability Savings Plan.
  - Disability Assistance Payments, including Lifetime Disability Assistance Payments
  - Direct transfer to another Registered Disability Savings Plan for which the beneficiaries are the same
  - Repayments under the Canada Disability Savings Act
- Identify the repayment that will be required if a Disability Assistance Payment is taken.
- Identify the requirements for Lifetime Disability Assistance Payments to be made.
- Identify the Lifetime Disability Assistance Payment for a Registered Disability Savings Plan.
  - Maximum amount

- Non-taxable amount
- Taxable amount
- Determine the impact resulting from the breakdown of a Registered Disability Savings Plan beneficiary's relationship.
- On the contributions made to the plan
  - On Canada Disability Savings Grants contributed to the plan
  - On Canada Disability Savings Bonds contributed to the plan
  - On investment earnings within the plan
  - On taxation
  - On the plan's status
- Determine how each of these factors may impact the suitability of withdrawing from a Registered Disability Savings Plan for personal use:
  - Tax impact
  - Loss of Registered Disability Savings Plan contribution room
  - Loss of asset growth within Registered Disability Savings Plan
  - Impact on government benefits
- Evaluate how each of the factors may impact the suitability of withdrawing from a Registered Disability Savings Plan.

#### **6.4.4 RDSP TRANSFERS**

##### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify potential reasons why an individual may choose to make a transfer into a Registered Disability Savings Plan.
  - Voluntary choice by the beneficiary
  - Death of the beneficiary's parent or grandparent
  - Beneficiary not attending post-secondary education
- Identify potential reasons why an individual may choose to make a transfer out of a Registered Disability Savings Plan.
  - Voluntary choice by the beneficiary
- Identify the types of plans from which amounts may be transferred tax-deferred into a Registered Disability Savings Plan.
- Identify the types of plans to which amounts may be transferred tax-deferred out of a Registered Disability Savings Plan.
- Identify the requirements for a tax-deferred transfer into a Registered Disability Savings Plan.
  - From another Registered Disability Savings Plan
  - From a Registered Education Savings Plan
  - From a Registered Retirement Savings Plan, Registered Retirement Income Fund, Registered Pension Plan, Pooled Registered Pension Plan or Specified Pension Plan

- Identify the maximum limit that may be transferred to a Registered Disability Savings Plan from another plan.

#### **Additional Knowledge Expected of CFP Professionals**

- Determine the impact of making a transfer *into* a Registered Disability Savings Plan.
  - On contribution limit
  - On potential grants
  - On withdrawals in future
- Estimate the tax impact of transferring an amount *into* a Registered Disability Savings Plan.
- Determine how each of these factors may impact the suitability of transferring an amount into a Registered Disability Savings Plan:
  - Available CDSG
  - Tax impact
  - Cash flow needs
  - Time horizon until withdrawal required
- Evaluate how each of the factors may impact the suitability of transferring an amount into a Registered Disability Savings Plan.
- Estimate the tax impact of transferring an amount out of a Registered Disability Savings Plan.
- Determine how each of these factors may impact the suitability of transferring an amount out of a Registered Disability Savings Plan:
  - Cash flow needs
  - Tax impact
  - Government legislation
- Evaluate how each of the factors may impact the suitability of transferring an amount out of a Registered Disability Savings Plan.

#### **6.4.5 RDSP CESSATION OF DISABILITY**

##### **Knowledge Common to Both QAFP Professionals and CFP Professionals**

- Identify when a beneficiary may no longer be eligible for a Registered Disability Savings Plan.

#### **Additional Knowledge Expected of CFP Professionals**

- Explain the options available to a beneficiary when they become ineligible for a Registered Disability Savings Plan.
- Explain by when a Registered Disability Savings Plan must be terminated due to the ineligibility of the beneficiary.
- Explain the requirements to postpone the termination of a Registered Disability Savings Plan due to the ineligibility of the beneficiary.

- Explain the impact of filing an election to postpone termination of a Registered Disability Savings Plan due to the ineligibility of the beneficiary.
- Explain by when a Registered Disability Savings Plan must be terminated when a beneficiary has filed an election to maintain the plan.
- Explain the impact resulting from termination of a Registered Disability Savings Plan.
  - On the contributions made to the plan
  - On Canada Disability Savings Grants contributed to the plan
  - On Canada Disability Savings Bonds contributed to the plan
  - On investment earnings within the plan
  - On remaining income
  - On taxation
  - On the plan's status

#### **6.4.6 DEATH OF AN RDSP BENEFICIARY**

##### **Additional Knowledge Expected of CFP Professionals**

- Explain the implications of the death of a beneficiary of a Registered Disability Savings Plan.
  - On the contributions made to the plan
  - On Canada Disability Savings Grants contributed to the plan
  - On Canada Disability Savings Bonds contributed to the plan
  - On investment earnings within the plan
  - On remaining income
  - On plan's status
- Determine the tax impact resulting from of the death of a Registered Disability Savings Plan beneficiary.

## **6.5 OPTIONS UPON DEATH OF PARTIES TO REGISTERED EDUCATION AND DISABILITY SAVINGS PLANS**

### **6.5.1 OPTIONS UPON THE DEATH OF AN RDSP BENEFICIARY**

#### **Additional Knowledge Expected of CFP Professionals**

- Estimate the tax impact resulting from the death of a Registered Education Savings Plan beneficiary.
- Determine how each of these factors may impact the suitability of options for amounts held within a Registered Disability Savings Plan at the death of a beneficiary.
  - Instructions contained in the deceased's will
  - Government legislation
  - Liquidity of assets
  - Tax impact
- Evaluate how each of the factors may impact the suitability of options for amounts held within a Registered Disability Savings Plan at the death of a beneficiary.

### **6.5.2 OPTIONS UPON THE DEATH OF AN RESP BENEFICIARY**

#### **Additional Knowledge Expected of CFP Professionals**

- Estimate the tax impact resulting from the death of a Registered Education Savings Plan beneficiary.
- Determine how each of these factors may impact the suitability of options for amounts held within a Registered Education Savings Plan at the death of a beneficiary.
  - Availability of other beneficiaries
  - Government legislation
  - Liquidity of assets
  - Tax impact
- Evaluate how each of the factors may impact the suitability of options for amounts held within a Registered Education Savings Plan at the death of a beneficiary.

### **6.5.3 OPTIONS UPON THE DEATH OF AN RESP SUBSCRIBER**

#### **Additional Knowledge Expected of CFP Professionals**

- Estimate the tax impact resulting from the death of a Registered Education Savings Plan subscriber.
- Determine how each of these factors may impact the suitability of options for amounts held within a Registered Education Savings Plan at the death of a subscriber.
  - Designation of joint or successor subscriber
  - Instructions contained in the deceased's will
  - Government legislation
  - Creditors of deceased subscriber's estate

- Liquidity of assets
  - Tax impact
- Evaluate how each of the factors may impact the suitability of options for amounts held within a Registered Education Savings Plan at the death of a subscriber.