

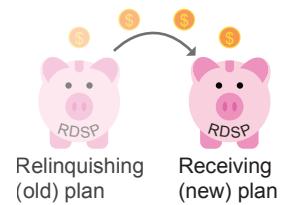


18. Transfers

A transfer occurs when all the funds are moved from one Registered Disability Savings Plan (RDSP) to another. It is initiated and authorized by the RDSP plan holder(s), but requires the collaboration of the receiving and relinquishing issuers.

To facilitate the transfer process, issuers are encouraged to use the following two forms: the RDSP transfer form (EMP5611) and the Holder consent to an RDSP transfer form (EMP5612). They should:

- provide the information required into all designated fields
- ensure that the contract and specimen plan numbers are accurate



Conditions

all funds must be transferred
(no partial transfers allowed)



must be for the same beneficiary



the relinquishing plan should be registered
by the Canada Revenue Agency (CRA)



the beneficiary must be Disability
Tax Credit (DTC) eligible



- A transfer can occur:
- regardless of the age of the beneficiary
 - even if the beneficiary is not a resident in Canada

Responsibilities

Relinquishing issuer

- 1 Have the holder(s) complete and sign the Holder consent to a RDSP transfer form
- 2 Complete sections 4 and 5 of the RDSP transfer form
- 3 Ensure all pending Canada Disability Savings Grant (CDSG) and Canada Disability Savings Bond (CDSB) requests have been received
- 4 Stop all pre-authorized contributions
- 5 Submit a 401-06 transaction (Stop bond request) to the Canada Disability Savings Program (CDSP) system
- 6 Send all the funds to the receiving issuer
- 7 Send all supporting documents to the receiving issuer (i.e. medical attestation, rollover form etc.)
- 8 Submit a 102-10 transaction (Close a contract) with closure reason "03" (Transfer) to the CDSP system
- 9 Submit a 701-02 transaction (Transfer reporting of FMV and earnings) to the CDSP system

Receiving issuer

- 1 Complete sections 1, 2 and 3 of the RDSP transfer form
- 2 Open a new RDSP
- 3 Complete a new application form for the CDSG and CDSB with the holder(s)
- 4 Submit a 101-01 transaction (Contract information) with the transfer indicator set to "Yes", a 101-02 transaction (Beneficiary information) and a 101-03 transaction (Holder information) to the CDSP system
- 5 Submit a 401-05 transaction (Bond request) to the CDSP system
- 6 Ensure to continue to process any lifetime disability assistance payments (LDAP) if they started in the relinquishing plan



If the relinquishing plan contains a **rollover** amount, the receiving plan must be able to support and administer the rollover amount being transferred

Transfer confirmation

- ✓ A transfer is complete once the relinquishing issuer has sent all the funds to the receiving issuer. Then, the relinquishing RDSP is closed and the receiving RDSP is registered.
- ✓ The CDSP system will then generate and send a Transfer information extract file to the receiving issuer. Upon receipt of this file, the issuer must ensure the amount received from the relinquishing issuer coincides with the data provided in the file.
- ✓ In the case of a discrepancy, the receiving issuer must contact the relinquishing issuer to consolidate the information.