

Financial Hardship Unlocking - Form FHU 1 Application for Low Expected Income

Note: This application form is updated annually by the FCAA

ONLY USE THIS FORM FOR APPLICATIONS SIGNED IN 2024

Clause 29(8.4)(a) and section 29.01 of *The Pension Benefits Regulations, 1993*

You must use this application form to apply to unlock money from your Locked-in Retirement Account (LIRA) based on financial hardship for low expected income.

If you have a LIRA that holds locked-in money earned in another province or if your employment was subject to federal jurisdiction (e.g. banking, television, radio broadcasting, or airlines), this application form does not apply to you. If you are unsure as to which jurisdiction's law applies to your locked-in money, please contact the employer who sponsored the pension plan under which you earned the locked-in money.

You cannot apply to withdraw money from your LIRA under the category of low expected income more than one time during a calendar year.

Submit this completed application form, along with any other required documents, to the financial institution that administers your LIRA. The Superintendent of Pensions does not administer the Financial Hardship applications. Do not send your application form or any other documentation to the Superintendent.

Your application form must not be signed more than 90 days before the financial institution that administers your LIRA receives it.

Amounts withdrawn from a LIRA due to financial hardship will be subject to taxation and tax may be withheld by your financial institution, as required by the *Income Tax Act* (Canada). You should consult with the Canada Revenue Agency for the applicable withholding tax rate. There may be additional amounts that may be deducted by your financial institution. You should ask your financial institution for an estimate of the amount that will be deducted before you decide how much money you want to apply to withdraw, but you cannot apply for an amount greater than the maximum permitted by *The Pension Benefits Regulations, 1993* (the Regulations).

Any withdrawal from your LIRA may affect your eligibility for certain government benefits. To find out more, contact the government ministry or agency that provides these benefits.

When money is withdrawn from a LIRA, the money will lose creditor protection provided by section 63 of *The Pension Benefits Act, 1992* (the Act). In addition, any withdrawal you make from your LIRA will decrease the amount of retirement income you will receive in the future.

Your financial institution will determine if you qualify to withdraw money from your LIRA. If you are not satisfied with the decision made by your financial institution, you should contact the dispute resolution department of your financial institution. Do not contact the Superintendent of Pensions, as the processing of this application is entirely between you and your financial institution.

If your application is approved, the money may be paid to you as a lump sum payment or by transfer to a registered retirement savings plan (RRSP).

This application form and the required information, signatures and supporting documentation are required by the Regulations.

Note: The personal information that you provide on this application form and on any other submitted document is necessary for your financial institution to determine if you qualify to have money released from your LIRA for reasons of financial hardship. If you have any questions about the collection, use or disclosure of your personal information, please check the Privacy Policy of the financial institution holding your locked-in money. The financial institution and its representatives are required to comply with all applicable privacy requirements in dealing with the information provided as part of this application.

Spouse's Consent to Withdrawal and Waiver of Entitlements

If you have a spouse, you may not make a withdrawal from the LIRA unless the financial institution that administers the LIRA receives your Spouse's Consent to Withdrawal and Waiver of Entitlements in Form 6 of the Appendix in the Regulations. Form 6 must be signed by your spouse in the presence of a witness and outside your presence not more than 90 days before the date of the withdrawal.

Definition of Spouse

Clause 2(1)(ff) of the Act defines "spouse" as follows:

(ff) "**spouse**" means:

- (i) a person who is married to a member or former member; or
- (ii) if a member or former member is not married, a person with whom the member or former member is cohabiting as spouses at the relevant time and who has been cohabiting continuously with the member or former member as his or her spouse for at least one year prior to the relevant time.

Additional Information

For additional information regarding financial hardship unlocking, please visit our website at:

<https://www.fcaa.gov.sk.ca/>

APPLICANT INFORMATION

Part 1 – Information about the Owner of the LIRA

1. Provide the following information about yourself:

LAST NAME	FIRST NAME	MIDDLE NAME	
MAILING ADDRESS			
CITY	PROVINCE	POSTAL CODE	TELEPHONE
EMAIL ADDRESS			DATE OF BIRTH (MM/DD/YYYY)

2. Provide the following information about your LIRA from which you are applying to withdraw money:

NAME OF FINANCIAL INSTITUTION HOLDING LIRA
ACCOUNT NUMBER OF LIRA

3. Please refer to the definition of “spouse” under the Act. If you have a spouse on the date you sign this Application, provide the following information about your spouse:

LAST NAME	FIRST NAME	MIDDLE NAME	
MAILING ADDRESS ☐ SAME AS APPLICANT			
CITY	PROVINCE	POSTAL CODE	TELEPHONE

Part 2 – Low Expected Income

To qualify to withdraw money from your LIRA for financial hardship due to low expected income, your expected total income from all sources before taxes for the 12 months after the date you sign this application must be **\$45,667 (which is 66 2/3% of the 2024 YMPE), or less.**

Important

You may apply only once in a calendar year to withdraw money from your LIRA under the category of low expected income.

1. Other than this application, have you applied to withdraw money from this LIRA based on low expected income at any time during 2024?

- ☐ Yes
☐ No

If you answered “**Yes**”, you cannot apply again based on low expected income from this LIRA this year. You must wait until 2025 to apply under this category and use the 2025 application form.

2. The maximum amount that may be withdrawn from this LIRA in accordance with the Regulations.

You must complete this formula:

Step One

Provide your expected total income from all sources before taxes for the 12 months following the date you sign this application.

\$	(A)
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Do not include any expected income from any other family members.
If you do not expect to receive any income in the next 12 months, enter **zero**.
The amount in Box (A) cannot be more than \$45,667.

Step Two

Multiply (A) by 0.75

\$	(B)
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Step Three

\$ 34,250 minus (B)

\$	(C)
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The maximum amount of money that may be withdrawn from your LIRA for low expected income is the amount in Box (C) plus the amount of taxes that must be deducted and withheld as a result of the withdrawal. However, the amount of money that you will receive as a result of a maximum withdrawal is the amount in Box (C), less any applicable fees charged by your financial institution for the withdrawal.

You may not withdraw an amount that is greater than the amount of money in your LIRA.

3. Specify the amount of money that you are applying to withdraw from this LIRA (Choose only one of the following options):

☐ I want to have the maximum amount allowed under the Regulations withdrawn from my LIRA.

or

☐ I want to have

\$

 withdrawn from my LIRA, which is less than the maximum amount allowed under the Regulations. I understand that under this option, the amount of money that I will receive will be the amount that I have requested to be withdrawn reduced by the amount of the taxes that must be deducted and withheld as a result of the withdrawal and any applicable fees charged by my financial institution for the withdrawal.

Part 3 – Certification

This certification will not be valid for the purposes of your application if it is dated more than 90 days before the date the financial institution that administers your LIRA receives this completed application.

Certification

I own the LIRA identified in Part 1 of this application. I hereby apply to have withdrawn from my LIRA the amount set out in Part 2 of this application. I understand that the amount withdrawn from my LIRA will be subject to taxation and that the applicable taxes will be deducted and withheld by my financial institution as a result of the withdrawal. I also understand that the amount that I receive will be reduced by any additional fees charged by my financial institution.

I certify that on the date I sign this Part: (Check only one of the following options.)

☐ I have a spouse, and my spouse consents to the withdrawal of money from the LIRA.

[If you check this option, you will need your spouse to complete Form 6 – Spouse's Consent to Withdrawal and Waiver of Entitlements Pursuant to a LIRA Contract for Financial Hardship. Once completed, your Spouse's Consent to Withdrawal and Waiver of Entitlements must be attached to this application.]

☐ I do not have a spouse.

I also certify that:

- (a) all of the information contained in this application and the documents that accompany this application is accurate and complete;
- (b) I have not previously applied to withdraw money for low expected income in 2024 from this LIRA; and
- (c) the amount of my expected total income for the 12 months following the date I signed this application in Part 2 is accurate.

I understand that:

- (a) any money withdrawn from the LIRA will no longer be exempt under section 63 of the Act from execution, seizure or attachment by persons such as creditors; and
- (b) it is a criminal offence under the *Criminal Code of Canada* for anyone to knowingly make or use a false document with the intent that it be acted on as genuine.

Signature of Owner	Date	MM	/	DD	/	YYYY
Name of Witness to Owner (Printed)						
Signature of Witness	Date	MM	/	DD	/	YYYY