

SUPPORT YOUR CHILD'S FUTURE

RESP

Registered Education Savings Plan



How Does it Work?

As the name suggests, RESP is an investment plan designed for saving a child's education. It allows investments to grow tax-free until withdrawn. The plan's sponsor is typically the child's parents or legal guardians. The beneficiary of the plan is the child. A family plan can be opened with two or more children.



Government Assistance

The government offers additional assistance to the plan in the form of the Canada Education Savings Grant (CESG) and Canada Learning Bond (CLB). The assistance of the CESG and CLB will help your RESP grow faster.



Tax Advantages

Investment income received in the plan grows tax-free. And when your child goes to university, money will be paid out and taxed in the hands of the student. Since most students have little or no income, they can usually withdraw the money tax-free.



Growing Your RESP

RESP will help you grow your education savings faster. For example, let's say you have an RESP with a monthly contribution of \$100 automatically deducted from your bank account.

YEAR 5 8,753

YEAR 10 21,615

YEAR 18 55,878

Investment Portfolio

A personalized investment portfolio designed to meet your investment objectives and match your risk appetite.

Contribution Limits

You can contribute to an RESP for a lifetime limit of \$50,000 per beneficiary. Contributions can be made for 31 years and the plan can remain open for a maximum of 35 years.

Canada Education Savings Grant

The government matches 20% of the contribution to an RESP up to a maximum of \$500 CESB per beneficiary per year. The lifetime limit for CESG is \$7,200.

Canada Learning Bond

The government contributes up to \$2,000 to an RESP for children from low-income families. This includes \$500 for the first year of eligibility and an additional \$100 each year the child continues to be eligible up to age 15.

Annual Education Cost

Post-secondary education is only getting more expensive. The annual cost of education in Ontario for students who live at home includes tuition, food, daily commute, books, and extracurricular activities. Here are the average annual costs for some of the most popular universities in Ontario.

YORK UNIVERSITY 12,300

UNIVERSITY OF GUELPH 11,658

UNIVERSITY OF TORONTO 11,596

RYERSON UNIVERSITY 11,163

WESTERN UNIVERSITY 10,575

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Contact Information

Phone Number (289) 648-6718

Email Address invest@pegasiprivatewealth.ca

Website <https://pegasiprivatewealth.ca>