



---

# Frequently asked questions

---

Title	Unlocking Options
Publication type	Frequently asked questions
Topics	Unlocking
Plans	Defined benefit plans
Year	2024

---

The unlocking options available from a locked-in retirement savings plan or a pension plan, and the conditions that must be met to take advantage of them, are set out in sections 20, 20.1, 20.2, 20.3 and 28.4 of the *Pension Benefits Standards Regulations, 1985* (PBSR).

Please note that not all unlocking options are available from a pension plan or from every locked-in retirement savings plan. The chart below provides a general description of the unlocking options, from where they are available, and a link to the forms that must be completed. A number of the unlocking provisions refer to the "Year's Maximum Pensionable Earnings" (YMPE) in determining whether funds can be unlocked and/or the amounts that can be unlocked. The YMPE is a dollar amount that is the maximum pensionable earnings under the Canada Pension Plan and changes annually based on a legislated formula. The YMPE for 2024 is \$68,500.



Unlocking Options	Available From	Unlocking Amount (\$)	Required Form(s)
<p><b>Financial hardship:</b></p> <p>If a person is:</p> <ol style="list-style-type: none"> <li>1. experiencing financial difficulties because of low income; or,</li> <li>2. high medical or disability-related costs relative to income;</li> </ol> <p>a certain amount may be withdrawn from a locked-in account.</p> <p>The funds may be withdrawn as cash, or transferred to a tax-deferred savings vehicle such as a registered retirement savings plan (RRSP) or a registered retirement income fund (RRIF), subject to any applicable income tax rules.</p>	<ul style="list-style-type: none"> <li>• locked-in RRSP</li> <li>• life income fund (LIF)</li> <li>• restricted LIF (RLIF)</li> <li>• restricted locked-in savings plan (RLSP)</li> </ul>	<ol style="list-style-type: none"> <li>1. Low Income <p>The maximum amount that can be unlocked depends on the person's expected income for the year – the withdrawal amount varies from 50% of the YMPE (or \$34,250 in 2024) for \$0 expected income to \$0 when expected income is 75% or higher of the YMPE (or \$51,375 for 2024)</p> </li> <li>2. High Medical or Disability-Related Expenditures <p>Depending on expected medical or disability-related expenditures, can unlock up to a maximum of 50% of the YMPE (or \$34,250 in 2024) can be unlocked.</p> </li> </ol> <p>The 2024 YMPE is \$68,500.</p>	<p><a href="#">Form 1 and Instructions: Attestation Regarding Withdrawal Based on Financial Hardship</a></p> <p><a href="#">Form 2: Attestation Regarding Spouse/Common-Law Partner</a></p>

Unlocking Options	Available From	Unlocking Amount (\$)	Required Form(s)
<p><b>Non-residency:</b></p> <p>If the following criteria are met, then a person's pension may be withdrawn in cash or transferred to a tax-deferred savings vehicle such as an RRSP or a RRIF subject to any applicable income tax rules:</p> <ul style="list-style-type: none"> <li>the person has ceased to be a resident of Canada for at least 2 calendar years (the person is considered to be a resident of Canada in a calendar year if he or she has lived in Canada for 183 days or more in that year) and</li> <li>if the pension benefit is in a pension plan, the person has ceased employment with the sponsor of that pension plan.</li> </ul>	<ul style="list-style-type: none"> <li>locked-in RRSP</li> <li>LIF</li> <li>RLIF</li> <li>RLSP</li> <li>pension plan*</li> </ul> <p>* If the pension funds are in a pension plan, the plan administrator may release the funds but is not required to do so.</p>	<p>The total value of the pension benefit or locked-in account balance</p>	<p>No prescribed form required</p>

Unlocking Options	Available From	Unlocking Amount (\$)	Required Form(s)
<p><b>Shortened life expectancy:</b></p> <p>If a person has a shortened life expectancy (as certified by a physician) due to a physical or mental condition, the funds may be withdrawn in cash or transferred to a tax-deferred savings vehicle such as an RRSP or an RRIF subject to any applicable income tax rules.</p>	<ul style="list-style-type: none"> <li>• locked-in RRSP</li> <li>• LIF</li> <li>• RLIF</li> <li>• RLSP</li> <li>• pension plan*</li> </ul> <p>* If the funds are in a pension plan, the pension plan may provide a payment or a series of payments in lieu of a pension benefit, but is not required to do so. This option is not available if a person has already commenced their pension.</p>	<p>The total value of the person's pension benefit or locked-in account balance</p>	<p>No prescribed form required</p>
<p><b>Small pension benefit unlocking from a pension plan:</b></p> <p>If a person has ceased membership in a pension plan and the value of their pension benefit is less than 20% of the YMPE for the calendar year in which their membership ceased, then the plan administrator can choose to pay out this amount in a lump sum.</p> <p>The funds may be paid in cash or transferred to a tax-deferred savings vehicle such as an RRSP or an RRIF subject to any applicable income tax rules.</p>	<ul style="list-style-type: none"> <li>• pension plan</li> </ul>	<p>The total value of the person's pension benefit</p>	<p>No prescribed form</p> <p>Terminating member would receive a termination statement from the plan administrator</p>

Unlocking Options	Available From	Unlocking Amount (\$)	Required Form(s)
<p><b>Age 55 and over - One-time 50% unlocking:</b></p> <p>If a person:</p> <ol style="list-style-type: none"> <li>will be 55 years of age or older within the calendar year; and,</li> <li>exercises the option within 60 days of when the funds are initially deposited in the RLIF;</li> </ol> <p>they may transfer 50% of the funds in their RLIF into an RRSP or an RRIF. Cash can then be withdrawn, from either of these vehicles, subject to any applicable income tax rules. The funds cannot be taken directly in cash from an RLIF.</p>	<ul style="list-style-type: none"> <li>RLIF</li> </ul>	<p>Up to 50% of the total value of the locked-in account balance</p>	<p><a href="#">Form 2: Attestation Regarding Spouse/Common-Law Partner</a></p>

Unlocking Options	Available From	Unlocking Amount (\$)	Required Form(s)
<p><b>Age 55 and over - Small account balance unlocking</b></p> <p>If:</p> <ol style="list-style-type: none"> <li>1. a person will be 55 years of age or older within the calendar year; and,</li> <li>2. the total value of all of assets in all of their locked-in RRSPs, restricted locked-in RRSPs, LIFs, and RLIFs are less than or equal to 50% of the YMPE (50% of \$68,500 which is \$ 34,250 for 2024);</li> </ol> <p>the funds may be withdrawn as cash, or transferred to a tax-deferred savings vehicle, such as an RRSP or an RRIF subject to any applicable income tax rules.</p>	<ul style="list-style-type: none"> <li>• locked-in RRSP</li> <li>• LIF</li> <li>• RLIF</li> <li>• RLSP</li> </ul>	<p>Total value of the locked-in account balances.</p>	<p><a href="#">Form 2: Attestation Regarding Spouse/Common-Law Partner</a></p> <p><a href="#">Form 3: Attestation of Total Amount Held in Federally Regulated Locked-in Plans</a></p>