

Summary of Financial Hardship Unlocking Program Effective September 1, 2014

On September 1, 2014, new pension legislation regarding the Financial Hardship Unlocking (FHU) program came into effect.

To improve service to Albertans and the timeliness of the response to applications, the Government of Alberta has changed the process and the reasons for applying to unlock your locked-in retirement account (LIRA) or life income fund (LIF) due to financial hardship.

Process:

The [Application to Unlock Alberta Funds due to Financial Hardship](#) must be submitted directly **to the Financial Institution that holds your LIRA or LIF**. The Government of Alberta is no longer administering the program.

You can apply to your Financial Institution **once for each reason per calendar year**.

Reasons for Unlocking:

There are **5 reasons** that you can apply under to unlock money from your LIRA or LIF through the FHU program.

1. **Low Income** – Your LIRA or LIF may be unlocked based on your expected income over the next twelve months.
2. **Foreclosure** - To prevent foreclosure of your or your pension partner's main home, you may be eligible to unlock the amount of the mortgage arrears and associated legal fees.
3. **Eviction for Rent Arrears** - To avoid being evicted due to unpaid rent on your or your pension partner's main home, you may be eligible to unlock the amount of the rent owing.
4. **First Month's Rent & Security Deposit** – Your LIRA or LIF may be unlocked to secure a new home for you or your pension partner in the amount of the first month's rent and security deposit.
5. **Medical Costs & Renovation** - The cost of medical expenses for you, your pension partner or dependants may be unlocked from your LIRA or LIF if not covered by a medical plan or any other source. You may also be eligible to unlock funds to pay for renovations to a main home that are required for you, your pension partner or dependants due to illness or disability.