



PRINCE EDWARD ISLAND
ÎLE-DU-PRINCE-ÉDOUARD

STUDENT FINANCIAL ASSISTANCE ACT GENERAL REGULATIONS

PLEASE NOTE

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For more information concerning the history of these regulations, please see the *Table of Regulations* on the Prince Edward Island Government web site (www.princeedwardisland.ca).

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STUDENT FINANCIAL ASSISTANCE ACT

Chapter S-8.2

GENERAL REGULATIONS

Pursuant to section 38 of the *Student Financial Assistance Act* R.S.P.E.I 1988, Cap. S-8.2 Council made the following regulations:

INTERPRETATION

1. Definitions

In these regulations

- (a) “**Act**” means the *Student Financial Assistance Act* R.S.P.E.I 1988, Cap. S-8.2;
- (b) “**appropriate student financial assistance authority**”, in respect of a province, means the appropriate authority designated for that province under section 3 of the *Canada Student Financial Assistance Act* (Canada);
- (c) “**dependent student**” means a student who is not an independent student;
- (d) “**Designation Policy Framework**” means the Designation Policy Framework established by the Intergovernmental Consultative Committee on Student Financial Assistance, as amended from time to time;
- (e) “**distance education program**” means a program of study in which students principally participate other than by physically attending classes;
- (f) “**end date**”, in respect of a period of study, means the end date of the period of study established in accordance with subsection 9(1);
- (g) “**full course load**” means the number of courses in a program of study that an educational institution requires a student to take in any period of study in order to obtain a certificate, diploma or degree in a minimum length of time;
- (h) “**full-time student**” means a person
 - (i) who, during a confirmed period within a period of studies, is enrolled in courses that constitute at least 60 per cent of a course load recognized by the designated educational institution as constituting a full course load,
 - (ii) whose primary occupation during that confirmed period is the pursuit of studies in those courses, and
 - (iii) who meets the requirements of subsection 5(1) or 7(1) or section 33 of the *Canada Student Financial Assistance Regulations* (SOR/95-329), as the case may be;

- (i) **“independent student”** means a student who
 - (i) has no living parent, guardian, sponsor or other supporting relative,
 - (ii) has been employed full-time, or available for full-time employment, for two or more periods of 12 consecutive months each,
 - (iii) has been out of high school for four or more years,
 - (iv) has a spouse,
 - (v) is a single parent,
 - (vi) is divorced and without children, or
 - (vii) has entered into a written agreement with the Director of Child Protection appointed under section 4 of the *Child Protection Act R.S.P.E.I., Cap. C-5.1* for the provision of services pursuant to subsection 13(2) of that Act;
- (j) **“minimum required course load”**, in respect of a program of study, means
 - (i) in the case of a student who is not a person with a permanent disability or a persistent or prolonged disability, at least 60 per cent of a full course load for that program of study, or
 - (ii) in the case of a student who is a person with a permanent disability or a persistent or prolonged disability, at least 40 per cent of a full course load for that program of study;
- (j.1) **“part-time student”** means a person
 - (i) who, during a confirmed period within a period of studies, is enrolled in courses that constitute at least 20 per cent but less than 60 per cent of a course load recognized by the designated educational institution as constituting a full course load, and
 - (ii) who meets the requirements of subsection 12(1), 12.1(1) or 12.2(1) or section 33 of the Canada Student Financial Assistance Regulations, as the case may be;
- (k) **“period of study”** means the period of time that an educational institution considers to be a normal school year for a program of study;
- (l) **“permanent disability”**, in respect of a person, means any impairment, including a physical, mental, intellectual, cognitive, learning, communication or sensory impairment or a functional limitation that
 - (i) restricts the person’s ability to perform the daily activities necessary to pursue studies at a post-secondary school level or to participate in the labour force, and
 - (ii) is expected to remain with the person for the person’s expected life;
- (l.1) **“persistent or prolonged disability”**, in respect of a person, means any impairment, including a physical, mental, intellectual, cognitive, learning, communication or sensory impairment or a functional limitation that
 - (i) restricts the person’s ability to perform the daily activities necessary to pursue studies at a post-secondary school level or to participate in the labour force,
 - (ii) has lasted, or is expected to last, for a period of at least 12 months, and
 - (iii) is not expected to remain with the person for the person’s expected life;
- (m) **“program of study”** means the series of periods of study at an educational institution
 - (i) that is considered by the educational institution to be necessary to obtain a degree, certificate or diploma, and

- (ii) the aggregate of which is at least 12 weeks within a period of 15 consecutive weeks;
- (n) “**service provider**” means a person who has entered into an agreement with the Minister under section 16 of the Act;
- (n.1) “**severe permanent disability**”, in respect of a person, means any impairment, including a physical, mental, intellectual, cognitive, learning, communication or sensory impairment or a functional limitation that
 - (i) prevents the person from performing the daily activities necessary to participate in the labour force in a manner that is substantially gainful, as set out in section 68.1 of the Canada Pension Plan Regulations C.R.C., c.385, and
 - (ii) is expected to remain with the person for the person’s expected life;
- (o) “**single parent**” means a person who has no spouse and has legal custody of, and financial responsibility for supporting, his or her child;
- (p) “**sponsor**” means a person who, in respect of a student, is the student’s sponsor within the meaning of the regulations made under the *Immigration and Refugee Protection Act* (Canada);
- (q) “**spouse**” means a person who, in respect of another person,
 - (i) is married to the other person,
 - (ii) has entered into a marriage with the other person that is voidable or void,
 - (iii) is not married to the other person but is cohabiting with him or her in a conjugal relationship, and
 - (A) has so cohabited with the other person for a period of at least 12 consecutive months, or
 - (B) was identified as the other person’s common law partner on the other person’s most recent income tax return, or
 - (iv) is not married to the other person but is cohabiting with him or her in a conjugal relationship and together they are the natural or adoptive parents of a child;
- (r) “**student**” means a person who is qualified for enrolment or is enrolled at an educational institution;
- (s) “**Treasury Board**” means the Treasury Board constituted under subsection 8(1) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12. (*EC709/10; 698/19; 565/22*)

1.1 Election - person with a disability

A person who has either a permanent disability or a persistent or prolonged disability and who, during a confirmed period within a period of studies, is enrolled in courses that constitute at least 40 per cent but less than 60 per cent of a course load recognized by the designated educational institution as constituting a full course load, may elect to be considered as a full-time student. (*EC565/22*)

DESIGNATION OF EDUCATIONAL INSTITUTIONS

2. Designation Policy Framework adopted

The Designation Policy Framework is adopted as the framework governing the designation of educational institutions under the Act and these regulations. (*EC709/10*)

3. Educational institution deemed to be designated under the Act

An institution of learning that was, immediately before the day this section comes into force, designated by an appropriate student financial assistance authority as a designated educational institution under section 3 of the *Canada Student Financial Assistance Act* (Canada), is deemed, on the coming into force of this section, to have been designated by the Minister as an educational institution under subsection 14(2) of the Act. (EC709/10)

4. Application for designation as educational institution

A person who applies to the Minister under subsection 14(1) of the Act to have an institution of learning designated as an educational institution shall provide

- (a) such proof of the matters referred to in section 6 as the Minister may require; and
- (b) such other information as the Minister may require. (EC709/10)

5. Designation of private training school

- (1) The Minister may designate an institution of learning that offers a program of study within the province as an educational institution if the institution meets the requirements of section 6 and is registered as a private training school under the *Private Training Schools Act* R.S.P.E.I. 1988, Cap. P-20.1.

Designation of institution in another province

- (2) The Minister may designate an institution of learning that offers a program of study in another province as an educational institution, if the institution
 - (a) has been designated for the purposes of student financial assistance eligibility by the appropriate student financial assistance authority in that province; and
 - (b) meets the requirements of section 6.

Designation of institution outside Canada

- (3) The Minister may designate an institution of learning that is outside Canada as an educational institution if the institution
 - (a) offers a program of study that leads to an associate, undergraduate, graduate or professional degree or is at least two years in duration; and
 - (b) meets the requirements of section 6. (EC709/10)

6. Eligibility for designation as an educational institution

The Minister may designate an institution of learning referred to in section 5 as an educational institution where the Minister is satisfied that the institution

- (a) provides information and counseling to students respecting their eligibility for student financial assistance that is acceptable to the Minister;
- (b) has a refund policy for students who withdraw from a program before completion that is acceptable to the Minister;
- (c) has a grade 12 or equivalent entrance requirement or a mature student policy that is acceptable to the Minister;
- (d) has a default prevention plan that is acceptable to the Minister;
- (e) adheres to the administrative requirements specified by the Minister; and
- (f) meets the criteria set out in the Designation Policy Framework. (EC709/10)

7. Revocation of designation

The Minister may, with the approval of the Lieutenant Governor in Council, revoke the designation of an educational institution where the institution ceases to meet the requirements for the designation under section 5 or 6. (EC709/10)

CERTIFICATE OF ELIGIBILITY

8. Application for certificate of eligibility

A person who applies to the Minister under subsection 20(1) of the Act for a certificate of eligibility shall

- (a) submit the application within the time that the Minister may require;
- (b) specify the educational institution and the approved program of study in which the person is enrolled or intends to enrol;
- (c) specify the period of study for which the student loan is requested; and
- (d) provide proof satisfactory to the Minister that he or she meets the requirements of section 10. (EC709/10)

9. End date for period of study

- (1) The Minister shall establish an end date for a period of study for which a student loan may be provided.

Certificate of eligibility prohibited

- (2) The Minister shall not
 - (a) accept an application for a certificate of eligibility; or
 - (b) issue a certificate of eligibility,after the end date for the period of study for which the student loan is requested. (EC709/10)

10. Eligibility for certificate of eligibility

- (1) For the purposes of clause 20(2)(b) of the Act, the Minister may issue a certificate of eligibility to an applicant where the Minister is satisfied that
 - (a) the program of study in which the applicant is or intends to be enrolled is approved by the Minister;
 - (b) the applicant is or intends to be a full-time student;
 - (c) the applicant has insufficient financial resources to meet his or her needs, as assessed by the Minister;
 - (d) the applicant is not in arrears or default on a student loan; and
 - (e) the applicant is eligible to receive a student loan under the *Canada Student Financial Assistance Act* (Canada).

Information on certificate of eligibility

- (2) A certificate of eligibility shall state
 - (a) the amount of student loan for which the applicant is eligible; and
 - (b) the start and end dates for the period of study to which the certificate of eligibility applies. (EC709/10)

RESIDENCE

11. Residence

- (1) For the purposes of the definition of “**qualifying student**” in section 1 of the Act, a person is a resident of the province
- (a) in the case of a dependent student,
 - (i) if the student’s parents, or parent where one parent is deceased, have lived in the province for a period of at least 12 consecutive months immediately before the start of the period of study to which the student’s application for a certificate of eligibility applies,
 - (ii) if the student’s parents are divorced or separated and
 - (A) the parent with whom the student normally lives, or
 - (B) where the student lives with neither parent, the parent who provides the principal financial support for the student,has lived in the province for a period of at least 12 consecutive months immediately before the start of the period of study to which the student’s application for a certificate of eligibility applies,
 - (iii) if the student’s parents moved from the province to another province, and
 - (A) before the move, the student’s parents lived in the province for a period of at least 12 consecutive months, and
 - (B) the student remained in the province to begin or continue studies at an educational institution in the province not less than 12 months after his or her parent’s move, or
 - (iv) if the student’s parents moved from the province and live outside of Canada, and
 - (A) the province was the last province in which they lived for a period of at least 12 consecutive months before leaving Canada, and
 - (B) the student remained in the province to begin or continue studies at an educational institution in the province; or
 - (b) in the case of an independent student,
 - (i) the student has lived in the province for a period of at least 12 consecutive months immediately before the start of the period of study to which the student’s application for a certificate of eligibility applies,
 - (ii) the student’s spouse has been employed full-time in the province, or has lived in the province and has been available for full-time employment, for a period of at least 12 consecutive months immediately before the start of the period of study to which the student’s application for a certificate of eligibility applies, or
 - (iii) if the student became a resident of the province under subclause (ii) and subsequently became a single parent, until the student leaves the province to live in another province.

Idem

- (2) Notwithstanding subsection (1), for the purposes of the definition of “qualifying student” in section 1 of the Act, a person is a resident of the province if the person

- (a) is a permanent resident within the meaning of subsection 2(1) of the *Immigration and Refugee Protection Act* (Canada) or a protected person within the meaning of subsection 95(2) of the *Immigration and Refugee Protection Act* (Canada);
- (b) lives in the province; and
- (c) has lived in no other province since arriving in Canada. (EC709/10)

ASSESSMENT OF NEED

12. “applicant” defined

- (1) In this section and sections 13 to 18, “**applicant**” means an applicant for a certificate of eligibility under subsection 20(1) of the Act.

Assessment of need for eligibility for student loan

- (2) The Minister shall assess the need of an applicant to determine, in respect of a period of study, whether
 - (a) the applicant is eligible to receive a student loan; and
 - (b) if the applicant is eligible to receive a student loan, the amount of the student loan that the applicant is eligible to receive.

Need

- (3) For the purposes of subsection (2), the need of an applicant is the amount by which the applicant’s educational and living expenses exceeds his or her financial resources.

Expenses and financial resources

- (4) For the purpose of assessing an applicant’s need, the Treasury Board shall, in accordance with the annual Canada Student Financial Assistance Program criteria provided by the Government of Canada, determine the educational and living expenses and financial resources that may be considered.

Income

- (5) Subject to subsection (5.1), for the purpose of assessing an applicant’s financial resources, the Minister may consider, to the extent and in any amounts that the Minister considers appropriate,
 - (a) where the applicant is a dependent student, the income of the applicant’s parents, guardians or supporting relatives; and
 - (b) where the applicant is an independent student, the income of the applicant and, if the applicant has a spouse, the income of the applicant’s spouse.

Applicant’s contribution

- (5.1) The Treasury Board may establish a minimum amount to be imputed to an applicant or an amount or percentage of an applicant’s income that shall be included in an applicant’s financial resources.

Information provided with application

- (6) The Minister shall assess the need of an applicant on the basis of the information provided with his or her application and any other information that the Minister considers appropriate. (EC709/10; 351/20; 499/23)

13. Financial information of parents

- (1) The parents of an applicant who is a dependent student, including parents who are separated or divorced, shall provide with that applicant's application the financial information that the Minister may require.

Financial information of step-parent

- (2) The step-parent of an applicant who is a dependent student shall provide with that applicant's application the financial information that the Minister may require where
- (a) the step-parent and a parent of the applicant were spouses before the applicant reached 18 years of age; and
- (b) the applicant resides with a parent and the step-parent.

Financial information required by Minister

- (3) Notwithstanding subsections (1) and (2), the Minister may, where circumstances warrant it, require the financial information of one parent or step-parent only. *(EC709/10)*

14. "pre-study period" defined

Revoked by EC499/23. *(EC709/10; 176/19; 499/23)*

15. Study period earnings

Revoked by EC499/23. *(EC709/10; 499/23)*

16. Minimum amount of certificate of eligibility

- (1) A certificate of eligibility shall not be issued in an amount that is less than \$100.

Maximum weekly student loan

- (2) Treasury Board shall establish maximum weekly amounts for student loans.

Maximum student loan provided to an applicant

- (3) For the purposes of subsection 20(5) of the Act, the maximum amount of a student loan that may be provided to an applicant is the weekly amount established by Treasury Board multiplied by the number of weeks in the period of study for which the student loan is requested. *(EC709/10)*

REASSESSMENT

17. Reassessment of application for certificate of eligibility

- (1) The Minister may reassess an application for a certificate of eligibility where an audit or review of the application reveals information, or information is otherwise made available to the Minister, that differs from the information provided with respect to a previous or current application of that applicant under the Act and these regulations.

Additional certificate of eligibility

- (2) Where the Minister reassesses an application for a certificate of eligibility with respect to a current period of study and determines that the applicant is entitled to a student loan in a greater amount than the applicant received, the Minister may, before the end date of the

period of study, issue another certificate of eligibility to the applicant for an additional student loan. (EC709/10)

OBLIGATIONS OF STUDENT

18. Obligations of student

An applicant to whom a certificate of eligibility has been issued shall

- (a) have an appropriate official of the educational institution at which that applicant is enrolled confirm that applicant's enrolment as a full-time student on the certificate of eligibility;
- (b) sign a student loan agreement with the Corporation in which the applicant agrees to repay his or her student loan in accordance with the Act and these regulations and the terms and conditions of the student loan agreement;
- (c) sign the consents, authorizations and certificates that the Minister may require; and
- (d) submit the completed certificate of eligibility and student loan agreement to the service provider in respect of the student loan within 30 days of the confirmation of enrolment referred to in clause (a), and before the last day of the month of the end date of his or her period of study. (EC709/10)

19. Disbursement of student loan

A student loan shall not be disbursed

- (a) before the start date of the period of study; or
- (b) after the last day of the month of the end date of the period of study, for which the student loan was requested. (EC709/10)

STUDENT LOAN AGREEMENT

20. Student loan agreement

A student loan agreement shall include provisions that state the following:

- (a) any refund of fees paid to an educational institution by the borrower from student financial assistance provided under the Act shall be paid by the educational institution to the Corporation or to a lender, as the case may be, for credit against a student loan received by the borrower;
- (b) interest on a student loan is payable before and after a default, before and after the maturity date and after judgment with respect to that student loan;
- (c) the borrower shall pay all legal fees incurred by the Corporation or the lender, as the case may be, as a result of efforts to collect the student loan. (EC709/10)

OVERAWARD

21. "overaward" defined

- (1) In this section, "overaward" means the amount of a student loan received by a borrower that is greater than that to which he or she was entitled under the Act and these regulations.

Recovery of overaward

- (2) Where, as a result of a reassessment of an application for a certificate of eligibility it is determined that a borrower has received an overaward,
- (a) the overaward shall be deducted from the borrower's future entitlements to student financial assistance; or
 - (b) where the borrower has commenced repayment of a student loan, the borrower shall repay the overaward in accordance with the repayment plan applicable to his or her student loan. *(EC709/10)*

MAINTAINING STUDENT LOAN ELIGIBILITY

22. Eligibility for subsequent student loan

- (1) A borrower who receives a student loan for a period of study is not eligible to receive a subsequent student loan unless he or she successfully completes the minimum required course load during that period of study.

Probation and certificate of eligibility

- (2) Notwithstanding subsection (1), where a borrower does not meet the requirements of subsection (1), the Minister may place the borrower on probation in the manner that the Minister may direct and, on application made under subsection 20(1) of the Act in accordance with these regulations, issue a certificate of eligibility to the borrower.

Ineligibility for student loan

- (3) Where the Minister determines that a borrower has not met the requirements of a probation referred to in subsection (2), the borrower shall not be eligible for a student loan for at least 12 months after the end date of the period of study referred to in subsection (1).

Idem

- (4) Where, upon the expiry of the 12 months referred to in subsection (3), the borrower has not complied with subsection (1), he or she is not eligible for a student loan for at least an additional 36 months.

Exemption

- (5) The Minister may exempt a borrower from the requirements of subsection (1) for such period as the Minister may determine where the Minister is satisfied that the borrower has experienced temporary illness or disability or other special circumstances that, in the opinion of the Minister, warrants the exemption. *(EC709/10)*

23. Work terms

A borrower enrolled in a program of study that requires one or more mandatory work terms is deemed to be a full-time student during those work terms if the educational institution at which the borrower is enrolled considers the borrower to be a full-time student. *(EC709/10)*

DURATION OF STUDENT LOANS

24. Maximum duration of student loans

- (1) Subject to subsection (3), the maximum duration of all student loans made to a borrower in respect of a program of study is the scheduled length of the program of study, plus one additional period of study.

Additional period of study

- (2) For the purposes of subsection (1), the additional period of study shall be not fewer than 12 weeks and not more than 52 weeks in length in accordance with criteria that the Minister may establish having regard to the overall length of the borrower's program of study.

Extension

- (3) The Minister may extend the period referred to in subsection (2) in respect of a borrower where the borrower changes his or her program of study and requests an extension, and the Minister determines that the new program is an academic progression. (EC709/10)

NOTIFICATION

25. Notification of change in status

- (1) A borrower shall promptly notify the Minister and the service provider in respect of his or her student loan of any change in his or her
- (a) marital or family status;
 - (b) status as a full-time student at an educational institution;
 - (c) education costs for a period of study; or
 - (d) financial resources, including the financial resources described in subsection 12(4),
- that occurs during a period of study in respect of which the borrower received a student loan.

Notification of full-time enrolment

- (2) A borrower who is enrolled as a full-time student at an educational institution for a period of study for which he or she is not receiving a student loan shall, on a form approved by the Minister, promptly notify the Minister and the service provider in respect of the student loan of his or her enrolment. (EC709/10)

STUDENT LOAN PAYMENT

26. No obligation to pay principal and interest

- (1) Subject to these regulations, a borrower is not obligated to pay principal and interest in respect of a student loan, and interest shall not accrue on a student loan,
- (a) during a period in which the borrower is a full-time student; and
 - (b) for a period of 12 months after the month in which the borrower ceases to be a full-time student.

Obligation to pay principal and interest

- (2) Subject to these regulations, a borrower becomes obligated to pay principal and interest in respect of a student loan on the first day of the thirteenth month after the month in which he or she ceases to be a full-time student.

Accrual of interest

- (3) Subject to these regulations, interest on a student loan shall accrue daily and be calculated monthly, commencing on the first day of the thirteenth month after the month in which the borrower in respect of that student loan ceases to be full-time student.

Failure to notify Minister

- (4) Where a borrower referred to in subsection 25(2) fails to notify the Minister as required under that subsection within 12 months after the month of the end date of a period of study of the borrower, the borrower is deemed to have ceased to be a full-time student on that end date.

Reinstatement of status as full-time student

- (5) The Minister shall reinstate the status of a borrower referred to in subsection (4) as a full-time student for the purposes of these regulations where the borrower
- (a) notifies the Minister and the service provider in respect of the student loan, on a form approved by the Minister, of the borrower's full-time enrolment at an educational institution; and
 - (b) pays any interest outstanding in respect of the student loan and any fees referred to in clauses 40(a) and (b). (EC709/10; 624/16)

RESERVE FORCE

27. Definitions

- (1) In this section,
- (a) “**designated operation**” means an operation that is designated under subsection 247.5(2) of the *Canada Labour Code* (Canada);
 - (b) “**reserve force**” means the reserve force as defined in subsection 2(1) of the *National Defence Act* (Canada).

Member of reserve force

- (2) Where a borrower
- (a) is a member of the reserve force; and
 - (b) interrupts his or her program of studies to serve on a designated operation,
- the borrower ceases to be a full-time student on the date on which he or she ceases to be a full-time student under subsection 8(2) or (4) of the *Canada Student Financial Assistance Regulations* (Canada).

Notification of designated operation

- (3) A borrower referred to in subsection (2) shall, no later than 30 days after receipt of his or her posting message provided by the Department of National Defence (Canada), unless circumstances beyond his or her control necessitate a longer period,
- (a) notify the Minister, on a form approved by the Minister, that the borrower will be serving on a designated operation; and

- (b) provide the Minister with a list of student loans of the borrower that are not owned by the Corporation, if any.

Information to Minister

- (4) A borrower referred to in subsection (1) shall, without delay on the request of the Minister, provide to the Minister
 - (a) the borrower's social insurance number;
 - (b) a list of the borrower's outstanding student loans;
 - (c) a copy of the posting message received by the borrower; and
 - (d) information that the Minister considers necessary to determine the date on which the borrower ceases to be a full-time student in accordance with subsection (2).

Compliance with notification and information requirements

- (5) The Minister may consider one or more of the requirements of subsections (3) and (4) to be satisfied where a borrower has complied with subsection 8(3) of the *Canada Student Financial Assistance Regulations* (Canada). (EC709/10)

LOAN CONSOLIDATION NOTICE

28. Consolidation of loans

- (1) The Minister may consolidate all outstanding student loans of a borrower after the borrower ceases to be a full-time student.

Loan consolidation notice

- (2) The Minister shall, without delay after a borrower ceases to be a full-time student, serve on the borrower a loan consolidation notice setting out, in respect of all outstanding student loans of the borrower,
 - (a) the total outstanding principal amount;
 - (b) the interest rate;
 - (c) the repayment period;
 - (d) the maturity date;
 - (e) the monthly loan payment date; and
 - (f) the amount of the instalment payments due on each monthly loan payment date. (EC709/10)

29. Amendment of terms

A borrower and the Corporation or a lender, as the case may be, may amend the terms of a loan consolidation notice if the borrower notifies the Corporation or lender that the terms are such that he or she will be in default and if the Corporation or lender considers that an amendment will enable the borrower to meet his or her obligations in respect of his or her student loan. (EC709/10)

ARREARS AND DEFAULT

30. Arrears

- (1) A borrower is in arrears of his or her obligation to repay a student loan if he or she does not make an instalment payment as required by a loan consolidation notice and the failure to make the required payment continues for a period of not fewer than 31 days and not more than 269 days.

Default

- (2) A borrower is in default of his or her obligation to repay a student loan if he or she does not make an instalment payment as required by a loan consolidation notice and the failure to make the required payment continues for a period of not fewer than 270 days. (EC709/10)

DEBT REDUCTION GRANT

31. Academic year defined

- (1) In this section, “academic year” means a period commencing on August 1 and ending on the following July 31.

Application for debt reduction grant

- (2) A borrower may apply to the Minister, in the form required by the Minister, for a debt reduction grant in respect of the borrower’s student loans for the academic years of a program of study.

Grants for academic years before August 1, 2018

- (3) In respect of an applicant’s student loans for academic years occurring before August 1, 2018, the Minister may grant an amount equalling the total amount of student loans received by the applicant for those academic years or \$2,000 per academic year, whichever is less, if the Minister is satisfied that the applicant
- (a) graduated from the program of study within one year immediately preceding the application; and
 - (b) received student loans and loans made under the *Canada Student Financial Assistance Act* (Canada) or *Canada Student Loans Act* (Canada) equalling over \$6,000 per academic year of the program of study.

Grants for academic years after July 31, 2018

- (4) In respect of an applicant’s student loans for academic years occurring after July 31, 2018, the Minister may grant an amount equalling the total amount of student loans received by the applicant for those academic years or \$3,500 per academic year, whichever is less, if the Minister is satisfied that the applicant
- (a) is a resident of the province;
 - (b) graduated from the program of study within the three years immediately preceding the application; and
 - (c) received student loans and loans made under the *Canada Student Financial Assistance Act* (Canada) or *Canada Student Loans Act* (Canada) equalling over \$6,000 per academic year of the program of study.

Resident defined

- (5) For the purpose of subsection (4), an applicant is considered a resident of the province if the applicant resides and maintains his or her principal residence in the province and has done so for at least six months immediately preceding the application for a debt reduction grant.

(EC709/10; 176/19)

32. Distribution of debt reduction grant

A debt reduction grant shall be applied first against any amounts payable by the borrower in respect of the student loans received by the borrower, after which any remaining balance shall be paid to the borrower. (EC709/10; 176/19)

PAYMENT RELIEF

33. Payments not required

Payments are not required on a student loan during the period that the student loan has payment relief status. (EC709/10; 176/19)

34. Interest does not accrue

Revoked by EC176/19. (EC709/10; 176/19)

35. Application for payment relief status

- (1) A borrower may apply to the Minister, on a form approved by the Minister, for payment relief status in respect of a student loan.

Proof

- (2) An applicant shall provide with an application made under subsection (1) proof satisfactory to the Minister that the applicant meets the requirements as set out in subsection (3).

Eligibility for payment relief status

- (3) The Minister may grant payment relief status for a specified period in respect of an applicant's student loan where the Minister is satisfied that the applicant is required to make monthly payments on his or her student loan and the applicant's family income for the period is not sufficient to make the payments.

Duration of payment relief

- (4) Payment relief may be granted for periods of six months at a time and for not more than 30 months over the duration of the repayment schedule of a student loan.

Payment due

- (5) Where the Minister grants payment relief in respect of a student loan under subsection (3), the first instalment payment on the student loan after the period of payment relief ends is due on the monthly loan payment date set out in the loan consolidation notice under subsection 28(2) that is within one month after the end of the payment relief period.

"family income" defined

- (6) In this section, "family income" means the applicant's gross income, and the gross income of his or her spouse, if any, from all sources except the Universal Child Care Benefit received under section 4 of the *Universal Child Care Benefit Act* (Canada). (EC709/10; 176/19)

36. Termination of payment relief status

The Minister may terminate a borrower's payment relief status in respect of a borrower's student loan where

- (a) the borrower or his or her spouse has provided false or misleading information to the Minister; or
- (b) the borrower fails to comply with a provision of the Act, these regulations or a student loan agreement of the borrower. *(EC709/10; 176/19)*

LOAN FORGIVENESS

37. Application for loan forgiveness

- (1) A person may apply to the Minister on a form approved by the Minister, for loan forgiveness in respect of a borrower's student loan.

Proof

- (2) An applicant shall provide with an application made under subsection (1) proof satisfactory to the Minister that the requirements as set out in subsection (3) have been met.

Eligibility for loan forgiveness

- (3) The Minister may forgive all or part of the principal or interest, or both, of a borrower's student loan where the Minister is satisfied that
 - (a) the borrower is deceased; or
 - (b) the borrower is a person who, by reason of the person's severe permanent disability, is unable to repay the student loan and will never be able to repay it.

Decision of Minister is final

- (4) A decision made by the Minister under this section is final and is not subject to review or appeal.

Opinion of medical practitioner

- (5) The Minister may, for the purpose of making a determination under this section, obtain the opinion of a medical practitioner with respect to the nature and extent of the applicant's severe permanent disability. *(EC709/10; 698/19)*

DEBT COLLECTION

38. Interest rate for debt

Notwithstanding the interest rate applicable to a student loan under the terms of a student loan agreement, the interest rate in effect on any day for a debt owed to the Crown or the Corporation as a result of the Crown or the Corporation fulfilling the obligations of a borrower under the student loan agreement, shall be the rate in effect on the day as determined by the Lieutenant Governor in Council. *(EC709/10)*

39. Payment or capitalization of accrued interest

- (1) Where a borrower fails to pay interest on a student loan, the Minister may, as a condition of providing interest relief or other student financial assistance, require the borrower to

- (a) pay all or a part of the accrued interest owing on the student loan; or
- (b) capitalize all or a part of the accrued interest owing on the student loan.

Capitalized interest

- (2) Where the Minister capitalizes accrued interest owing on a student loan, the capitalized accrued interest shall form a part of the principal owed on the student loan. *(EC709/10)*

FEES AND CHARGES

40. Fees and charges

Where a borrower owes money to the Crown or to the Corporation under an agreement by subrogation or otherwise on account of student financial assistance received by the borrower, that borrower shall pay the following fees and charges:

- (a) \$35 for each dishonoured cheque provided to the Minister or to the Corporation;
- (b) \$15 for each late or missed payment;
- (c) an amount paid by the Crown to a lender to obtain student financial assistance documentation with respect to the borrower; and
- (d) legal costs incurred by the Crown or the Corporation pursuant to a court action to collect a debt under the Act or these regulations or an amount paid to an agent collecting a debt under the Act or these regulations on behalf of the Crown or the Corporation. *(EC709/10)*

41. Amount not refunded

Where an amount of \$10 or less is owed to a borrower by the Corporation, that amount shall not be refunded to the borrower unless requested by him or her. *(EC709/10)*

CONFIRMATION OF INFORMATION

42. Confirmation of information

The Minister may confirm with an educational institution any personal information, including academic record and status, with respect to a borrower who is a student or former student at the educational institution that the Minister considers necessary to determine the student's eligibility for student financial assistance under the Act and these regulations and to administer the Act and these regulations. *(EC709/10)*