

Your Repayment Responsibilities:

Your student loans are borrowed from the provincial Ontario Student Loan Trust and/or the federal government of Canada. While you are in full-time study, the provincial and/or federal government pay the interest that accrues on your issued loans on your behalf.

As a borrower, it is important that you understand the terms and conditions of your loans and fulfill your obligations in order to keep your loans and your credit in good standing. **Remember that their repayment is your responsibility and that you must keep your lender notified of any address change.**

When must I start repayment?

You must begin to repay your student loans six months after you graduate or stop being a full-time student (i.e. withdraw or drop to part-time). This first six months is called your grace period. The interest on your loans begins to accrue as soon as you stop being a full-time student. Within this six-month period you must contact your lender to consolidate your loans and set up a repayment schedule.

Who is my lender? Who do I make payments to?

For federal Canada Student loans received **on or after August 1st, 2000** and provincial Ontario Student Loans received **on or after August 1st, 2001**, your lender is the National Student Loans Service Centre (NSLSC) 1-888-815-4514. Their address is:

National Student Loans Service Centre
Public Institution Division
P.O. Box 4030, Mississauga, ON L5A 4M4.

For any federal/provincial loans issued **prior to August 2000**, your lender is the financial institution (bank, credit union, caisse populaire) holding your loans.

Scotiabank 1-888-284-3044
Royal Bank 1-800-363-3822
CIBC 1-800-563-2422

National/caisse/credit union – call your branch.

How do I start to repay my Loans?

You must contact your lender at the phone numbers listed before the end of your initial six-month grace period and arrange to sign a 'consolidation agreement'. This document will state the full amount of your loans, the interest rate, when your first payment is due, the number and frequency of payments and the amount of each payment. Your 'consolidation date', when the first payment is due, is the first of the seventh month, i.e. if you leave full-time study April 30th, your first payment is due November 1st of that year.

How much will my monthly payments be?

Your payments will be calculated based on the total amount of your loan principal, your accrued grace-period interest, the interest rate at the time of your consolidation and the length of time during which your loan is scheduled to be repaid (your 'term'). Your lender will discuss these details with you, explain prime and 'fixed or floating' interest rates and monthly payment amount options. To get an idea of how much your student loan monthly payment will be, check out the 'Loan Repayment Calculator' at www.canlearn.ca

Can I make additional payments?

In addition to your minimum monthly payments, you can make lump-sum payments or increase your monthly payment amount at any time during the term of your loan repayment. These extra amounts will not only reduce your principal faster but also reduce the amount of interest you pay on your loans. You can also pay off your loans in full at any time, without penalty and you can begin repayment during your grace period.

Do I have to repay all of the student loans issued to me?

Depending on the total loan issued in each academic year, you may qualify for debt reduction through the Ontario Student Opportunity Grant. For information, access your personal loan file on the OSAP website, <http://osap.gov.on.ca> or contact our Financial Aid Office.

What should I do if I am having trouble repaying my Loans?

If you are temporarily unable to repay your loans because of low income or unemployment, you should contact your lender to discuss your eligibility for the Interest Relief or Revision of Terms programs.

Revision of Terms: If you are unable to make payments on your loans, you may ask your lender to revise your repayment terms by lowering the monthly payment required and extending the time you take to repay your principal.

Interest Relief for Full and Part-Time Students:

If your personal/family income is below a certain level, you may be eligible for Interest Relief. While on Interest Relief, the government pays the interest on your loans and you do not need to make any principal payments. Interest relief is normally approved for six-month periods, up to a maximum of 36 months. To apply for or obtain more information, contact the National Student Loans Service Centre at 1-888-815-4514 or register on their website via www.canlearn.ca

If I am repaying OSAP loans, but have decided to return to school full-time, do I have to continue my payments?

If you have previous student loans and you plan to continue your studies, you must ensure your previous loans are placed in interest-free status so that you do not have to repay the loans or interest while you are in school.

There are different procedures that you must follow to keep your Canada Student Loans and Ontario Student Loans in interest-free status:

Procedures for maintaining interest-free status if you are getting a new Canada-Ontario Student Loan: Once your completed Confirmation of Enrolment form is processed by your postsecondary institution and by the ministry, the ministry will electronically inform the National Student Loans Service Centre (NSLSC) and/or your previous lender(s) that you are still in school.

Procedures for maintaining interest-free status if you are NOT getting a new Canada-Ontario Student Loan and are continuing in full-time studies: If you are attending an institution in Ontario, you must provide the financial aid office at your postsecondary institution with a completed Continuation of Interest-Free Status/Confirmation of Enrolment (Schedule 2). This form must be received by the Financial Aid Office within six months of the end of your last study period. The information will then be electronically forwarded to your lender and/or the NSLSC. This form is available for printing from the OSAP website only, <http://osap.gov.on.ca>

If you are an out-of-province student, please contact your provincial/territory student loan office listed at www.canlearn.ca. If you are in receipt of a Part Time Canada Student Loan contact our Financial Aid Office for information on maintaining interest-free status on your loans.

Failing to Repay Your Funding:

If you do not make your payments, you will be considered in default. Your debt will be turned over to a collection agency and your default will be reported to the credit bureau; as a result, your ability to obtain credit may be impaired. You will also be restricted from receiving further financial assistance until the default has been cleared.

If you default on your student loans you will also be ineligible for the Ontario Student Opportunity Grant, Interest Relief Programs and other Federal/Provincial Financial Aid Programs.

Repaying a Defaulted Student Loan:

Canada Student Loans for full and part-time students:

contact the private collection agency listed on your collection notice or contact the Federal Canada Student Loans Plan via the National Student Loans Service Centre at 1-888-815-4514.

Ontario Student Loans:

contact the private collection agency listed on your collection notice or call 1-800-387-5604 to determine which collection agency holds your account.

Requesting Clearance of Defaulted Loans:

Contact your nearest college or university Financial Aid Office to determine the process for requesting clearance on past federal/provincial defaulted loans.

Part-Time Students:

You are responsible for making interest payments on your Part-Time Canada Student loan even while you are in school.

Six months after you have completed your studies and/or stopped being a part-time student, you are responsible for beginning to repay the principal and interest on your Part-Time Canada Student Loan.

The actual rates and conditions for repayment are set at the time you begin repaying. You must contact your lender, the NSLSC at 1-888-815-4514, to make repayment arrangements.

Credit Counselling/Debt Management

Credit counselling enables you to gain control over your finances by learning to budget and manage your money in order to acquire financial stability. A debt management program arranged with your creditors is based on your current circumstances and ability to make payments.

If you are having trouble repaying your student loans, and/or would benefit from credit/budget counselling, you should contact the **Credit Counselling Services of Eastern Ontario** for a free consultation and assessment. The phone numbers are:

1-613-728-2041
1-866-202-0425

FINANCIAL AID OFFICE

Address:

Room C225
1385 Woodroffe Avenue
Ottawa, ON K2G 1V8

Telephone:

(613) 727-4723, Ext. 7678

Fax:

(613) 727-7604

E-mail:

financialaid@algonquincollege.com

Website:

www.algonquincollege.com/financialaid

Hours of Operation:

Fall and Winter
Monday - Friday
8:30 AM - 4:45 PM

Summer
Monday - Friday
8:00 AM - 4:00 PM



OSAP / CSL / PT CSL Repayment

- **When and How do I repay my loans**
- **Who do I repay my loans to**
- **How much will my payments be**
- **Trouble paying back loans**
- **Returning to school with outstanding loans**
- **What happens if I don't repay my loans**
- **Repaying part-time loans**
- **Credit Counselling**

April 2009