

The Lender-financed Saskatchewan Student Loans Regulations



being

Chapter S-61.1 Reg 3 (effective July 30, 1996) as amended by Saskatchewan Regulations 97/97, 59/2000, 58/2001, 9/2002, 41/2002, 75/2002 and 83/2004.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

CHAPTER S-61.1 REG 3

The Student Assistance and Student Aid Fund Act, 1985

PART I

Title, Interpretation and Application

SHORT TITLE

Title

1 These regulations may be cited as *The Lender-financed Saskatchewan Student Loans Regulations*.

INTERPRETATION AND APPLICATION

Interpretation

2(1) In these regulations:

- (a) **“Act”** means *The Student Assistance and Student Aid Fund Act, 1985*;
- (b) **Repealed.** 4 Aug 2000 SR 59/2000 s4.
- (c) **Repealed.** 4 Aug 2000 SR 59/2000 s4.
- (d) **“Canada Student Financial Assistance Loan”** means a loan that is made pursuant to the *Canada Student Financial Assistance Act* and the regulations pursuant to that Act for courses that commence on or after August 1, 1995;
- (e) **“Class A loan”** means any loan that is in interest-free status, that has been assigned to or made by a lender and that was made pursuant to:
 - (i) these regulations;
 - (ii) *The Student Assistance and Student Aid Fund Regulations, 1990*;
or
 - (iii) Saskatchewan Regulations 211/76;
- (f) **“Class B loan”** means:
 - (i) in the case of a risk-sharing agreement, a Class A loan that has been consolidated and for which the borrower is responsible to make current payments; and
 - (ii) in the case of a Saskatchewan Student Loans assignment agreement, a Saskatchewan Student Loan for which the borrower is responsible to make current payments;

- (g) “**consolidate**” means to change the status of any Class A loan from a Class A loan to a Class B loan;
- (h) “**course**” means a part of a program that has a duration of at least six weeks but not more than 52 weeks;
- (i) “**enrolled**” means:
- (i) registered in a course or short course; or
 - (ii) qualified for and intending to enrol in a course or short course;
- (j) “**family unit**” means the borrower and the borrower’s spouse and dependent children;
- (k) “**full-time**” means taking at least 60% of a full-time instructional load for each semester or term as determined by the educational institution at which the student is enrolled, unless otherwise specified;
- (l) “**in default**” means:
- (i) at least four months in arrears for any loan repayable pursuant to *The Student Assistance and Student Aid Fund Regulations, 1990*; or
 - (ii) at least 90 days in arrears for any other student loan;
- (m) “**interest-free certificate**” means a duly completed certificate that is used to maintain or reinstate interest-free status on a loan;
- (n) “**interest-free status**” means the status of a Class A loan for a period during which the student or borrower is not responsible to make payments on the loan with respect to principal or interest;
- (o) “**interest relief**” means the status of a Class B loan for a period during which the borrower is not responsible to make payments on the loan with respect to principal or interest;
- (p) “**lender**” means a financial institution that has entered into a risk-sharing agreement or a Saskatchewan Student Loans assignment agreement;
- (q) “**lender-financed Saskatchewan Student Loan**” means a loan made by or assigned to a lender pursuant to these regulations;
- (r) “**loan certificate**” means a certificate that is issued by the minister indicating that a student is eligible to receive a Class A loan from a lender;
- (r.1) “**monthly payment**” means the minimum monthly instalment amount that a person is required to pay on a loan made under or pursuant to the Act;
- (s) “**parent**” includes a step-parent or legal custodian;
- (t) “**period of study end date**” means the last day of the month in which a student ceases to be a student and that is confirmed by a loan certificate or an interest-free certificate or by notification to the minister;
- (u) “**program**” means a program of post-secondary studies that leads to a degree, diploma, certificate or designation, that is taken at an approved educational institution and that lasts at least 12 weeks within a period of 15 consecutive weeks;

- (v) **“risk premium”** means a payment made by the minister to a lender pursuant to a risk-sharing agreement or a Saskatchewan Student Loans assignment agreement to recognize the possibility of non-repayment of a Class B loan;
- (w) **“risk-sharing agreement”** means an agreement entered into by the minister and a financial institution pursuant to section 8.3 of the Act in which the lender agrees to be bound by these regulations and agrees to finance new loans to students;
- (x) **“Saskatchewan Student Loan”** means a loan repayable to the minister pursuant to *The Student Assistance and Student Aid Fund Regulations, 1990* with respect to courses or short courses that commenced prior to August 1, 1996;
- (x.1) **“Saskatchewan Student Loans assignment agreement”** means an agreement entered into by the minister and a financial institution pursuant to section 8.3 of the Act in which the lender agrees to be bound by these regulations and to assume Saskatchewan Student Loans assigned to the lender by the minister, but does not agree to finance new loans to students pursuant to that agreement;
- (y) **“short course”** means a part of a program that has a duration of more than three weeks but less than six weeks;
- (z) **“sponsor”** means a person who sponsors an application for landing by an immigrant within the meaning of the *Immigration Act* (Canada);
- (aa) **“spouse”** means, with respect to a student or borrower:
- (i) the person to whom the student or borrower is legally married; or
 - (ii) another person with whom the student or borrower is cohabiting and has cohabited as a spouse continuously for at least one year;
- (bb) **“student”** means an individual who is enrolled on a full-time basis;
- (cc) **“table”** means a table set out in the Appendix.
- (2) For the purposes of these regulations and subsection 7(1) of the Act, the minister may approve an educational institution or revoke the approval of an educational institution and before doing so may take into consideration:
- (a) the programs, staff and academic reputation of the educational institution;
 - (b) where the educational institution is not a part of or principally funded by government:
 - (i) the nature of the educational institution’s contractual obligations to its students respecting their training; and
 - (ii) the ability of the educational institution to ensure that those obligations will be fulfilled; and
 - (c) any other matters the minister considers appropriate.

(3) Notwithstanding clause (1)(k), an individual is deemed to be enrolled on a full-time basis if the minister is satisfied, based on the recommendation of any other individuals that the minister considers appropriate, that the individual:

- (a) has a permanent disability that significantly restricts the individual's ability to take at least 60% of a full-time instructional load; and
- (b) is taking at least 40% of a full-time instructional load.

(4) For the purposes of these regulations, a person has a permanent disability if the minister determines that the person has a functional limitation caused by a physical or mental impairment that is expected to remain with the person for the rest of the person's lifetime and that restricts that person's ability to:

- (a) pursue full-time studies at a post-secondary level; or
- (b) work in the labour force.

9 Aug 96 cS-61.1 Reg 3 s2; 31 Oct 97 SR 97/97 s3; 4 Aug 2000 SR 59/2000 s4; 10 Aug 2001 SR 58/2001 s3; 24 Sept 2004 SR 83/2004 s3.

Application

3(1) These regulations apply to lender-financed Saskatchewan Student Loans and financial assistance payable by the minister respecting those loans.

(2) These regulations apply only to borrowers who have a Class A loan or a Class B loan.

4 Aug 2000 SR 59/2000 s5.

PART II Loans and Financial Assistance LOANS

Application for loan

4 A student may apply for a lender-financed Saskatchewan Student Loan by submitting to the minister, within a time set by the minister:

- (a) an application, in a form provided by the minister, that is completed in all respects, including the signing of any declaration the minister may require;
- (b) any releases for information that the minister may require; and
- (c) any other information that the minister may reasonably require.

9 Aug 96 cS-61.1 Reg 3 s4.

Eligibility and assessment criteria

- 5** A student applying for a lender-financed Saskatchewan Student Loan must:
- (a) be eligible under the same application for a certificate of eligibility for a Canada Student Financial Assistance Loan if the duration of the course or short course is not taken into account;
 - (b) be in need of financial assistance, in the minister's opinion, after the following are taken into account:
 - (i) the student's income, assets, and expenses to any extent and in any amounts that the minister considers appropriate;
 - (ii) the student's spouse's income, assets and expenses to any extent and in any amounts that the minister considers appropriate;
 - (iii) the student's parents' or sponsor's income to any extent and in any amounts that the minister considers appropriate;
 - (iv) any other criteria that the minister considers appropriate;
 - (c) not be in default on a loan that is repayable pursuant to:
 - (i) *The Student Assistance and Student Aid Fund Regulations, 1990*;
 - (ii) the *Canada Student Financial Assistance Act* or the *Canada Student Loans Act*; or
 - (iii) these regulations; and
 - (d) not be restricted from eligibility for a lender-financed Saskatchewan Student Loan for any other reason that the minister considers appropriate.

9 Aug 96 cS-61.1 Reg 3 s5.

Loan certificate

- 6(1)** The minister may issue a loan certificate to a student if, in the minister's opinion:
- (a) the student has complied with the eligibility criteria established by these regulations; and
 - (b) there is no other reason why the loan certificate should not be issued.
- (2) Before issuing a loan certificate pursuant to subsection (1) respecting an approved educational institution located outside of Canada, the minister shall consider:
- (a) the student's level of study;
 - (b) the student's spouse's eligibility for a lender-financed Saskatchewan Student Loan;
 - (c) the availability of a similar program in Canada; and
 - (d) any other criteria the minister considers appropriate.

- (3) A loan certificate is to be in the form and contain any terms and conditions that the minister may determine.
- (4) No student is eligible for a lender-financed Saskatchewan Student Loan unless:
- (a) the minister issues a loan certificate to the student;
 - (b) the student signs the loan agreement and any consents, authorizations and certifications that the minister may determine, including but not limited to an agreement to vary the interest rates on any loans subject to these regulations;
 - (c) the appropriate official of the approved educational institution where the student is enrolled signs the confirmation of enrolment portion of the loan certificate within 30 days of the delivery of the loan certificate to the lender; and
 - (d) the documents mentioned in clauses (a) to (c) are delivered to the lender before the period of study end date.

9 Aug 96 cS-61.1 Reg 3 s6; 31 Oct 97 SR 97/97 s4; 4 Aug 2000 SR 59/2000 s7.

Authorized amount

- 7(1) The minister may determine the maximum amount of a lender-financed Saskatchewan Student Loan that may be provided to a student.
- (2) The amount of a lender-financed Saskatchewan Student Loan that is authorized and for which a student is eligible is to be stated on the loan certificate.

9 Aug 96 cS-61.1 Reg 3 s7.

Reconsideration of application

- 8(1) A student, within a time set by the minister, may apply in writing to an appeals committee designated by the minister for reconsideration of an application for a lender-financed Saskatchewan Student Loan.
- (2) An appeals committee may reconsider any application referred to it pursuant to subsection (1) and may make any decision it considers appropriate.

9 Aug 96 cS-61.1 Reg 3 s8.

Interest-free periods

8.1 Notwithstanding any other provision in these regulations, interest-free status for lender-financed Saskatchewan Student Loans made, continued or reinstated for or as a result of a course that commenced:

- (a) before August 1, 2000, is to be determined in accordance with sections 9, 10, and 11;
- (b) on or after August 1, 2000 but before August 1, 2002, is to be determined in accordance with Part III; and
- (c) on or after August 1, 2002, is to be determined in accordance with Part IV.

6 Sep 2002 SR 75/2002 s3.

Eligibility for interest-free status with loan certificate

9 Where the provisions of subsection 6(4) are met, the student's loan is a Class A loan with interest-free status commencing on the date of the first disbursement and continuing until the last day of the sixth month following the period of study end date on the loan certificate and;

- (a) any outstanding Class A loan balance the student may have remains as a Class A loan with interest-free status;
- (b) any outstanding Class B loan balance the student may have converts to a Class A loan with interest-free status commencing on the later of the start date of the course or short course indicated on the loan certificate and the date the loan certificate is delivered to the lender; and
- (c) the interest-free status of any loan mentioned in clauses (a) or (b) continues until the last day of the sixth month following the period of study end date on the loan certificate.

9 Aug 96 cS-61.1 Reg 3 s9.

Eligibility for interest-free status with interest-free certificate

10(1) Interest-free status on an outstanding Class A or Class B loan balance may be maintained or reinstated by a student or borrower by delivering to the lender:

- (a) an interest-free certificate confirming the student's enrolment signed within 30 days of the delivery of the interest-free certificate to the lender by the appropriate official of the approved educational institution;
- (b) an agreement, signed by the student or borrower:
 - (i) allowing the minister to assign any Saskatchewan Student Loan to the lender and acknowledging that the rights and obligations of the student under any Saskatchewan Student Loan so assigned will be governed by these regulations; or
 - (ii) allowing another lender to assign a previous lender-financed Saskatchewan Student Loan to the lender; and
- (c) any consents, authorizations, acknowledgements, certifications or other agreements, including but not limited to agreements to vary the interest rates on any loans subject to these regulations, signed by the student or the borrower that the minister may reasonably require.

(2) If the provisions of subsection (1) are met:

- (a) a student's outstanding Class A loan balance is maintained as a Class A loan with interest-free status ending on the last day of the sixth month following the period of study end date indicated on the interest-free certificate; or
- (b) a student's outstanding Class B loan balance is reinstated as a Class A loan with interest-free status commencing on the later of the start date of the course or short course indicated on the interest-free certificate and the date the interest-free certificate is delivered to the lender, and ending on the last day of the sixth month following the period of study end date indicated on the interest-free certificate.

9 Aug 96 cS-61.1 Reg 3 s10; 31 Oct 97
SR 97/97 s5.

Interest-free status and special circumstances

11(1) Where a student's period of study end date changes, the period of interest-free status described in section 9 or 10 ends on the last day of the sixth month following the new period of study end date.

(2) Notwithstanding sections 9 and 10, a borrower is not entitled to interest-free status if, at the time the loan certificate or the interest-free certificate is signed by the lender, the borrower:

(a) **Repealed.** 10 Aug 2001 SR 58/2001 s4.

(b) is in default on a loan that is repayable pursuant to these regulations, *The Student Assistance and Student Aid Fund Regulations, 1990* or *The Student Assistance and Student Aid Fund Regulations, 2001*;

(c) is restricted from eligibility for interest-free status for any other reason that the minister considers appropriate.

(3) The minister may terminate interest-free status on a Class A loan at any time where:

(a) the student or borrower, or the student's or borrower's spouse, parent or sponsor, has provided false, misleading or incorrect information;

(b) the student or borrower breaches or fails to comply with any provision or requirement of the Act, these regulations, *The Student Assistance and Student Aid Fund Regulations, 1990* or *The Student Assistance and Student Aid Fund Regulations, 2001*; or

(c) the minister considers it to be appropriate.

9 Aug 96 cS-61.1 Reg 3 s11; 10 Aug 2001
SR 58/2001 s4.

Interest-free status and functional limitation

12(1) A person who has a permanent disability and is enrolled in a course or short course at an approved educational institution in at least 40% of a full-time instructional load, as determined by the educational institution, is deemed to be a student for the purposes of eligibility for interest-free status pursuant to section 10.

(2) **Repealed.** 4 Aug 2000 SR 59/2000 s8.

9 Aug 96 cS-61.1 Reg 3 s12; 4 Aug 2000
SR 59/2000 s8.

Assignment of loans by minister to a lender

13(1) Where a student delivers a loan certificate or an interest-free certificate to a lender, the student's Saskatchewan Student Loans are assigned to the lender.

(2) On request of a lender, the minister shall sign and deliver any documents that the lender may reasonably require to evidence the assignment of the minister's interests in the Saskatchewan Student Loans mentioned in subsection (1).

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(3) When a student's loans are assigned pursuant to a risk-sharing agreement or a borrower's loans are assigned pursuant to a Saskatchewan Student Loan assignment agreement, the terms, conditions and benefits associated with those loans are superseded and those loans are governed by these regulations.

(4) The minister may assign a borrower's Saskatchewan Student Loan to the lender pursuant to a Saskatchewan Student Loans assignment agreement.

9 Aug 96 cS-61.1 Reg 3 s13; 31 Oct 97 SR 97/97 s6.

Assignment of loan from one lender to another lender

14 Where a student delivers a loan certificate or an interest-free certificate to a lender, any other lender that holds a Class A or Class B loan with respect to that student shall assign that Class A or Class B loan to the lender who received the certificate.

9 Aug 96 cS-61.1 Reg 3 s14.

Lender obligations respecting loan certificate

15(1) Where a student entitled to a lender-financed Saskatchewan Student Loan delivers a loan certificate to a lender, the lender, in accordance with the risk-sharing agreement, shall immediately:

- (a) sign a loan agreement with and make a lender-financed Saskatchewan Student Loan to the student named in the loan certificate for the amount authorized in the loan certificate;
- (b) accept any assignment from the minister of the student's Saskatchewan Student Loans;
- (c) accept any assignment of the student's Class A or Class B loan from another lender; and
- (d) pay to the minister or the other lender, as the case may be, the outstanding balance of any loan assigned to the lender pursuant to this section.

(2) A lender shall comply, as determined by the minister, with the terms and conditions of a loan certificate.

9 Aug 96 cS-61.1 Reg 3 s15.

Where set-off permitted

16 A lender is only entitled to set-off disbursements on a student's Class A loan to satisfy an earlier loan made by the lender to the student for educational purposes in contemplation of future disbursements on the student's Class A loan.

9 Aug 96 cS-61.1 Reg 3 s16.

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Lender obligations respecting interest-free certificate

17 Where a student entitled to interest-free status delivers an interest-free certificate to a lender, the lender shall immediately:

- (a) sign the interest-free certificate;
- (b) accept any assignment of the student's Saskatchewan Student Loans from the minister;
- (c) accept any assignment of the student's Class A or Class B loan from another lender; and
- (d) pay to the minister or the other lender, as the case may be, the outstanding balance of any loan assigned to the lender pursuant to this section.

9 Aug 96 cS-61.1 Reg 3 s17; 31 Oct 97
SR 97/97 s7.

Guaranteed Class A loan

18(1) The minister shall guarantee payment to the lender of the full amount of the outstanding balance of a Class A loan as at:

- (a) the date of death of the borrower; or
 - (b) the date the borrower makes an assignment or the date a receiving order is made against the borrower pursuant to the *Bankruptcy and Insolvency Act* (Canada).
- (2) On payment of the guarantee pursuant to subsection (1), the minister becomes subrogated to all of the rights of the lender respecting the Class A loan and any security taken by the lender for the loan.
- (3) A lender shall sign and deliver any documents that the minister may require to give effect to subsection (2).

9 Aug 96 cS-61.1 Reg 3 s18.

Interest payments on Class A loan

19(1) The minister shall pay to the lender the interest that accrues on any Class A loan:

- (a) made by the lender, from the date of the first disbursement to the last day of the sixth month following the latest period of study end date;
 - (b) assigned to the lender by the minister, from the date the lender pays the assigned loan balance to the minister or the date the Class A loan was converted from a Class B loan to a Class A loan, whichever is later, to the last day of the sixth month following the latest period of study end date; and
 - (c) assigned to the lender by another lender, from the date the lender pays the assigned loan balance to the other lender to the last day of the sixth month following the latest period of study end date.
- (2) The interest on a Class A loan payable by the minister pursuant to this section is to be calculated by the lender on the daily outstanding balance of that loan at a rate not exceeding the rate agreed to by the lender pursuant to the risk-sharing agreement.

9 Aug 96 cS-61.1 Reg 3 s19; 31 Oct 97 SR 97/97
s8.

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Minister not responsible for certain payments

20 If the minister notifies a lender to cancel any future disbursements to a student under a Class A loan and the lender subsequently makes a disbursement to that student, the minister is not responsible for the amount disbursed or any award that may be associated with the amount disbursed.

9 Aug 96 cS-61.1 Reg 3 s20.

Consolidation

21(1) When any Class A loan is consolidated, it becomes a Class B loan.

(2) The consolidation of a Class A loan occurs on the first day of the seventh month after the student's latest period of study end date.

(3) Subject to section 25, a borrower is responsible to the lender to commence repayment of the borrower's Class B loan, both principal and interest, and is responsible to repay the loan for so long as the loan remains a Class B loan.

9 Aug 96 cS-61.1 Reg 3 s21.

Repayment terms of Class B loan

22 At the time of consolidation, a lender shall offer those terms of repayment that are contained in the risk-sharing agreement.

9 Aug 96 cS-61.1 Reg 3 s22.

Risk premium payments on Class B loan

23 The minister may pay to a lender a risk premium on lender-financed Saskatchewan Student Loans in the amount to be calculated by the lender according to the risk-sharing agreement or the Saskatchewan Student Loans assignment agreement.

9 Aug 96 cS-61.1 Reg 3 s23; 31 Oct 97 SR 97/97 s9.

No payment on interest or principal

24(1) A borrower is not responsible during any period of interest relief to make payments on a Class B loan with respect to principal or interest.

(2) During any period of interest relief, the minister shall pay the lender interest on a Class B loan at a rate set out in the risk-sharing agreement or the Saskatchewan Student Loans assignment agreement, and those payments shall be accepted by the lender in lieu of any interest that otherwise would have accrued.

9 Aug 96 cS-61.1 Reg 3 s24; 31 Oct 97 SR 97/97 s10.

Interest relief

25(1) In this section:

(a) **“actual monthly income”** means the total of the borrower's gross monthly income and the borrower's spouse's gross monthly income, as determined by the minister;

- (b) **“maximum monthly income”** means the amount set out in Table 1 for the number of persons in the family unit listed opposite the monthly payment;
- (c) **Repealed.** 24 Sept 2004 SR 83/2004 s4.
- (2) A borrower may apply to a lender for a period of interest relief on a Class B loan if:
- (a) the borrower resides in Canada; and
 - (b) the actual monthly income is less than or equal to the maximum monthly income;
 - (c) **Repealed.** 8 Feb 2002 SR 9/2002 s3.
- (3) A borrower applying for interest relief pursuant to this section shall:
- (a) apply to the lender on a form provided by the minister; and
 - (b) provide the lender with any information or documents that the minister considers necessary for the purposes of considering the application.
- (4) A borrower may apply to the minister:
- (a) for an exemption from any of the provisions mentioned in subsection (2); or
 - (b) for a period of interest relief where an application for interest relief to the lender is refused by the lender.
- (5) The maximum length of each period of interest relief that the minister may grant pursuant to this section is six months.
- (6) No borrower is eligible to receive more than a maximum total of 30 months of interest relief, including any interest relief periods received on loans repayable pursuant to *The Student Assistance and Student Aid Fund Regulations, 1990* or *The Student Assistance and Student Aid Fund Regulations, 2001*.
- (7) Notwithstanding that a borrower already has been granted a total of 30 months of interest relief on the loans mentioned in subsection (6) and if not more than 60 months have elapsed since the borrower’s last period of study end date, as that period is specified by the borrower in his or her first application for interest relief, the minister may grant the borrower a further period of interest relief of not more than 24 months and not beyond the 60-month period since the borrower’s last period of study end date if the minister is satisfied that:
- (a) in the case of a lender-financed Saskatchewan Student Loan that has a repayment period of 15 years or more, the borrower is unable to make the monthly payment required on the loan; or
 - (b) in the case of a lender-financed Saskatchewan Student Loan that has a repayment period of less than 15 years, the borrower would be unable to make the monthly payment required on the loan even if the repayment schedule were extended to 15 years.
- (8) As a condition of the minister granting interest relief, the borrower shall agree to pay or capitalize any accrued interest that remains unpaid on the first day of the interest relief period in accordance with any direction of the minister.

- (9) A borrower who is in default on a loan repayable pursuant to these regulations is not entitled to interest relief.
- (10) A borrower is not entitled to interest relief if for any reason the minister considers that the borrower is ineligible.
- (11) The minister may terminate any periods of interest relief where, in the minister's absolute discretion, interest relief should be terminated.
- (12) Notwithstanding subsections (2) to (11), if a borrower has an outstanding Class B loan and a loan pursuant to *The Saskatchewan Student Direct Loans Regulations* and the borrower wishes to obtain interest relief with respect to the Class B loan and the other loan:
- (a) the borrower shall not apply for or receive interest relief pursuant to this section with respect to the Class B loan;
 - (b) the borrower shall apply for interest relief in accordance with Part IV of *The Saskatchewan Student Direct Loans Regulations*; and
 - (c) Part IV of *The Saskatchewan Student Direct Loans Regulations* applies, with any necessary modification, for the purposes of applying for and granting interest relief with respect to the Class B loan.

9 Aug 96 cS-61.1 Reg 3 s25; 10 Aug 2001
SR 58/2001 s5; 8 Feb 2002 SR 9/2002 s3; 7 Jun
2002 SR 41/2002 s2; 6 Sep 2002 SR 75/2002 s4;
24 Sept 2004 SR 83/2004 s4.

Debt reduction and repayment

25.1(1) In this section and in Table 2:

- (a) **“monthly family income”** means the total of the borrower's and the borrower's spouse's gross monthly income as determined by the minister;
 - (b) **“monthly family income ceiling”**, with respect to a borrower, means, based on the size of the borrower's family unit, the sum of the borrower's monthly family income less all monthly payments that the borrower's spouse is required to pay on all loans made under or pursuant to the Act.
- (2) A borrower may apply to the minister to reduce the borrower's indebtedness to the minister respecting the borrower's lender-financed Saskatchewan Student Loan.
- (3) On an application pursuant to subsection (2), the minister may reduce the amount of the borrower's indebtedness if the borrower resides in Canada and the minister is satisfied that:
- (a) all of the following criteria are met:
 - (i) the borrower is not in default on the lender-financed Saskatchewan Student Loan or any other Saskatchewan Student Loan;
 - (ii) the borrower ceased to be a full-time student 60 months or more before the date of the application;
 - (iii) the borrower has exhausted at least 30 months of interest relief;
 - (iv) the borrower has not previously been granted a reduction of indebtedness pursuant to this section;

- (v) the borrower's monthly payment with respect to any loans made under or pursuant to the Act is greater than the dollar amount set out in Column 1 of Table 2 for the borrower's monthly family income ceiling set out in Column 2 of Table 2; or
 - (b) all of the following criteria are met:
 - (i) the borrower has incurred extraordinary expenses due to circumstances beyond the control of the borrower and the borrower's spouse;
 - (ii) the borrower will be able to make the monthly payment required on the reduced amount of the loan.
- (4) Subject to subsection (5), the amount of reduction of indebtedness that the minister may grant pursuant to this section is the positive amount P, rounded to the nearest dollar, calculated in accordance with the following formula:

$$P = A(1 - B/C)$$

where:

A is the total principal amount owing by the borrower with respect to all outstanding lender-financed Saskatchewan Student Loans;

B is the dollar amount set out in Column 1 of Table 2 for the borrower's monthly family income ceiling set out in Column 2 of Table 2; and

C is:

- (a) if the repayment period of the lender-financed Saskatchewan Student Loans is 15 years or more, the sum of the monthly payments due by the borrower on the lender-financed Saskatchewan Student Loans; or
 - (b) if the repayment period of the lender-financed Saskatchewan Student Loans is less than 15 years, the sum of the monthly payment that would be due by the borrower on the lender-financed Saskatchewan Student Loans if the repayment period were 15 years.
- (5) The maximum amount of reduction of indebtedness that may be granted pursuant to this section is \$3,000.

24 Sept 2004 SR 83/2004 s5.

Forgiveness of indebtedness

25.2(1) The minister may forgive all or any part of a borrower's indebtedness or cancel all or any part of a borrower's obligation to pay principal and interest on a lender-financed Saskatchewan Student Loan if:

- (a) the borrower dies before the end of the month in which the borrower would otherwise have ceased to be a full-time student; or
- (b) the borrower satisfies the minister that:
 - (i) the borrower suffers from a permanent disability that impairs the borrower's ability to repay the lender-financed Saskatchewan Student Loan; and
 - (ii) the borrower's family income is not sufficient to permit the borrower to fully repay the principal and interest on the lender-financed Saskatchewan Student Loan.

(2) For the purposes of clause (1)(b), the borrower must have acquired the permanent disability before six months after the period of study end date.

(3) Where the minister forgives all or any part of a borrower's indebtedness or cancels all or any part of a borrower's obligation to pay principal and interest on a lender-financed Saskatchewan Student Loan pursuant to this section, the minister may make a payment to the lender who is responsible for the lender-financed Saskatchewan Student Loan in an amount that the minister considers appropriate to compensate the lender with respect to that forgiveness or cancellation.

10 Aug 2001 SR 58/2001 s6; 6 Sep 2002 SR 75/
2002 s6; 24 Sept 2004 SR 83/2004 s6.

Exemptions

25.3 The minister may exempt a student or borrower from any requirement set out in these regulations where, in the opinion of the minister:

- (a) one or more of the following applies:
 - (i) the non-compliance is due to a factor beyond the control of the student or borrower;
 - (ii) the non-compliance is with respect to a minor detail;
 - (iii) the student or borrower has proposed other conditions that meet or exceed the conditions with respect to which there is non-compliance;
- (b) the student or borrower is mainly in compliance with the requirements of these regulations; and
- (c) it is not contrary to the public interest to grant the exemption.

10 Aug 2001 SR 58/2001 s6.

Adjustment of authorized amount

26(1) The minister may revise the total authorized amount stated on a loan certificate:

- (a) if there is any change in the information or circumstances relating to the student or borrower as presented when the individual applied for the loan;
- (b) if the individual ceases to be a student before the period of study end date;
- (c) if the student or borrower, or his or her spouse, parent, or sponsor, has provided false, misleading or incorrect information;
- (d) if the student or borrower breaches or fails to comply with any provision or requirement of the Act, these regulations or *The Student Assistance and Student Aid Fund Regulations, 1990*; or
- (e) for any other reason that the minister, in the minister's absolute discretion, may determine.

- (2) Where the minister reduces the authorized amount of a Class A loan pursuant to subsection (1), the minister may:
- (a) notify the lender to cancel future disbursements to that student up to the amount of any excess;
 - (b) require the student to immediately repay any excess to the lender; or
 - (c) deduct the excess amount or any portion of it from any future lender-financed Saskatchewan Student Loan to be made to that student.
- (3) Where the minister increases the authorized amount to be stated on a loan certificate pursuant to subsection (1), the minister may issue a loan certificate to that student for the increase.
- (4) Notwithstanding any other provision of these regulations, a borrower is not entitled to any disbursements on a lender-financed Saskatchewan Student Loan after the period of study end date.

9 Aug 96 cS-61.1 Reg 3 s26.

Capitalized interest

- 27(1) A student is not eligible for interest-free status on a lender-financed Saskatchewan Student Loan unless the student:
- (a) pays the interest in arrears on the loan; or
 - (b) agrees with the lender that the interest in arrears on the loan is to be capitalized into principal.
- (2) A borrower with a Class B loan is not eligible for interest relief unless the borrower:
- (a) pays the interest in arrears on the loan; or
 - (b) agrees with the lender that the interest in arrears on the loan is to be capitalized into principal.
- (3) A borrower is entitled to have interest capitalized pursuant to subsection (2) on no more than two occasions.
- (4) A lender shall offer a student or borrower the options referred to in subsections (1) and (2).

9 Aug 96 cS-61.1 Reg 3 s27.

OTHER AWARDS

Other financial assistance

28 In addition to making awards respecting interest relief, interest-free status and risk premiums, the minister may provide any other financial assistance the minister determines is consistent with the general objectives of the Act on any terms and conditions and in any amounts and according to eligibility criteria that the minister may determine respecting a Class A loan or Class B loan:

- (a) on behalf of a student to a lender;
- (b) on behalf of a student to another person; or
- (c) to the student.

9 Aug 96 cS-61.1 Reg 3 s28; 4 Aug 2000 SR 59/2000 s9.

GENERAL

Maximum amount

29 The minister may determine the maximum amount of individual Class A loans that may be provided to different classes of students after taking into account:

- (a) the number of students applying for assistance who are enrolled in courses and short courses;
- (b) the amount of money available to the Student Aid Fund in any particular year;
- (c) the financial need of students eligible for financial assistance;
- (d) any special requirements or unique circumstances of a particular class of students; and
- (e) any other factors that the minister considers appropriate.

9 Aug 96 cS-61.1 Reg 3 s29.

Audit

30(1) A lender shall provide, at the minister's request, any information or documents required by the minister to audit amounts invoiced by the lender to the minister pursuant to the risk-sharing agreement or the Saskatchewan Student Loans assignment agreement.

(2) A student or borrower shall provide, at the minister's request, any information or documents required by the minister respecting financial assistance provided pursuant to these regulations.

9 Aug 96 cS-61.1 Reg 3 s30; 31 Oct 97 SR 97/97 s11; 4 Aug 2000 SR 59/2000 s8.

Consequence of not providing information

31(1) Where a lender fails or refuses to provide information or documents pursuant to subsection 30(1), the minister may withhold any disbursements payable to the lender pursuant to these regulations, the risk-sharing agreement or the Saskatchewan Student Loans assignment agreement until the information or documents are provided.

(2) The minister may determine that a student or borrower who does not provide the minister with any information or documents pursuant to subsection 30(2) is ineligible for any financial assistance provided or to be provided pursuant to these regulations.

9 Aug 96 cS-61.1 Reg 3 s31; 31 Oct 97 SR 97/97 s12; 4 Aug 2000 SR 59/2000 s11.

Designation by the minister

32 The minister may designate any trustee or member of the committee pursuant to the Act to carry out those functions respecting the providing of financial assistance pursuant to these regulations.

9 Aug 96 cS-61.1 Reg 3 s32; 4 Aug 2000 SR 59/2000 s12; 10 Aug 2001 SR 58/2001 s7.

PART III Part III Loans

Interpretation

32.1 In this Part:

- (a) **“Part III loan”** means a lender-financed Saskatchewan Student Loan that is:
- (i) made as a Class A loan for a course that commences on or after August 1, 2000; or
 - (ii) continued or reinstated as a Class A loan for a course that commences on or after August 1, 2000 but before August 1, 2002;
- (b) **“prime rate”**, with respect to a Part III loan, means the prime interest rate announced from time to time by the lender of the Part III loan as a reference rate then in effect for determining rates on Canadian dollar commercial loans in Canada;
- (c) **“start date”** means, with respect to a Part III loan, the period of study start date shown on the loan certificate or interest-free certificate for the Part III loan.

4 Aug 2000 SR 59/2000 s13; 6 Sep 2002 SR 75/2002 s7.

Application of Part

32.2 This Part applies to Part III loans.

4 Aug 2000 SR 59/2000 s13.

Application of other Parts to Part III loans

32.3 Subject to this Part, Parts I and II apply, with any necessary modification, to Part III loans.

4 Aug 2000 SR 59/2000 s13.

Interest-free status period of Part III loans

32.4(1) The interest-free status of a Part III loan is to be determined in accordance with this section and section 32.5.

(2) The period of interest-free status for a Part III loan that is made as a Class A loan commences on the date that the loan proceeds are first distributed.

(3) Subject to section 32.5, the period of interest-free status for a Part III loan that is continued or reinstated as a Class A loan commences on the later of:

- (a) the current start date of the Part III loan; and
- (b) the date the lender of the Part III loan receives the loan certificate or interest-free certificate for the Part III loan.

(4) Subject to section 32.5, the interest-free status of a Part III loan ends on the period of study end date for the Part III loan.

4 Aug 2000 SR 59/2000 s13.

Interest-free status of certain Part III loans

32.5(1) If the current start date of a Part III loan is six months or less after the Part III loan's previous period of study end date and the borrower delivers to the lender a loan certificate or interest-free certificate for the Part III loan within four or fewer months of the Part III loan's current start date, the Part III loan continues to be in interest-free status to the Part III loan's new period of study end date.

(2) If the current start date of a Part III loan is six months or less after the Part III loan's previous period of study end date and the borrower delivers to the lender a loan certificate or interest-free certificate for the Part III loan more than four months after the Part III loan's current start date, any interest payable on the loan from the end of the Part III loan's previous period of study end date until the date the lender receives the loan certificate or interest-free certificate:

- (a) is payable by the borrower; and
- (b) may be capitalized into principal and form part of the capital balance of the Part III loan.

(3) If the current start date of a Part III loan is more than six months after the Part III loan's previous period of study end date and the borrower delivers to the lender a loan certificate or interest-free certificate for the Part III loan within four or fewer months of the Part III loan's current start date, the borrower shall pay to the lender any interest accrued during the period commencing on the day after the Part III loan's previous period of study end date and ending on the Part III loan's current start date.

(4) If the current start date of a Part III loan is more than six months after the Part III loan's previous period of study end date and the borrower delivers to the lender a loan certificate or interest-free certificate for the Part III loan more than four months after the Part III loan's current start date:

(a) the borrower shall pay to the lender any interest accrued during the period commencing on the day after the Part III loan's previous period of study end date and ending on the Part III loan's current start date; and

(b) the interest payable on the loan during the period commencing on the Part III loan's current start date and ending on the date the lender receives the loan certificate or interest-free certificate:

(i) is payable by the borrower; and

(ii) may be capitalized into principal and form part of the capital balance of the Part III loan.

4 Aug 2000 SR 59/2000 s13.

Interest payable by borrower

32.6 The interest required to be paid by a borrower pursuant to section 32.5 is equal to the sum of:

(a) the prime rate; and

(b) 2.5%.

4 Aug 2000 SR 59/2000 s13.

Interest payable by minister

32.7 The minister shall pay to the lender of the Part III loan the interest that accrues on the Part III loan during the period that the Part III loan is in interest-free status.

4 Aug 2000 SR 59/2000 s13.

PART IV
Part IV Loans

Interpretation

32.71 In this Part:

(a) "**Part IV loan**" means a lender-financed Saskatchewan Student Loan that is continued or reinstated as a Class A loan for a course that commences on or after August 1, 2002;

(b) "**start date**" means, with respect to a Part IV loan, the period of study start date shown on the interest-free certificate for the Part IV loan.

6 Sep 2002 SR 75/2002 s8.

Application of Part

32.72 This Part applies to Part IV loans.

6 Sep 2002 SR 75/2002 s8.

Application of other Parts to Part IV loans

32.73 Subject to this Part, Parts I and II apply, with any necessary modification, to Part IV loans.

6 Sep 2002 SR 75/2002 s8.

Interest-free status period of Part IV loans

32.74(1) The interest-free status of a Part IV loan is to be determined in accordance with this section and section 32.75.

(2) Subject to section 32.75, the period of interest-free status for a Part IV loan that is continued or reinstated as a Class A loan commences on the later of:

- (a) the current start date of the Part IV loan; and
- (b) the date the lender of the Part IV loan receives the interest-free certificate for the Part IV loan.

(3) Subject to section 32.75, the interest-free status of a Part IV loan ends on the period of study end date for the Part IV loan.

(4) If a borrower's period of study end date changes, the period of interest-free status ends on the new period of study end date.

6 Sep 2002 SR 75/2002 s8.

Interest-free status of certain Part IV loans

32.75(1) If the current start date of a Part IV loan is six months or less after the Part IV loan's previous period of study end date and the borrower delivers to the lender an interest-free certificate for the Part IV loan by the start date, the Part IV loan continues to be in interest-free status to the Part IV loan's new period of study end date.

(2) If the borrower delivers to the lender an interest-free certificate for a Part IV loan after the Part IV loan's current start date, any interest payable on the loan commencing on the day after the Part IV loan's previous period of study end date and ending on the date the lender receives the interest-free certificate:

- (a) is payable by the borrower; and
- (b) may at the borrower's option be capitalized into principal and form part of the capital balance of the Part IV loan.

6 Sep 2002 SR 75/2002 s8.

REPEAL AND COMING INTO FORCE**Sask. Reg. 211/76 repealed**

33 Saskatchewan Regulations 211/76 are repealed.

9 Aug 96 cS-61.1 Reg 3 s33.

Appendix

TABLE 1
[Section 25]

Interest Relief Table

Maximum Monthly Income (\$) based on size of Family Unit										
Total amount of all Monthly Payments (\$) that the borrower and the borrower's spouse are required to pay on Class B loans	1 person	2 people	3 people	4 people	5 people	6 people	7 people	8 people	9 people	10 people or more
1 – 25	1604	2506	3237	3818	4351	4842	5281	5651	5954	6184
26 – 50	1635	2550	3277	3860	4395	4888	5329	5700	6006	6237
51 – 75	1671	2593	3316	3901	4440	4933	5378	5749	6057	6290
76 – 100	1707	2638	3355	3943	4483	4980	5426	5800	6108	6344
101 – 125	1743	2672	3395	3984	4527	5027	5475	5851	6162	6398
126 – 150	1782	2705	3436	4025	4571	5074	5525	5902	6215	6453
151 – 175	1821	2740	3474	4067	4616	5121	5574	5964	6269	6507
176 – 200	1858	2778	3515	4109	4661	5168	5623	6016	6322	6563
201 – 225	1898	2817	3557	4152	4706	5215	5672	6066	6377	6618
226 – 250	1937	2855	3597	4195	4750	5261	5721	6117	6431	6674
251 – 275	1976	2894	3640	4239	4796	5308	5772	6167	6486	6730
276 – 300	2015	2932	3683	4283	4842	5356	5823	6218	6540	6785
301 – 325	2055	2970	3726	4326	4888	5404	5874	6270	6595	6842
326 – 350	2096	3009	3768	4370	4932	5452	5927	6322	6649	6899
351 – 375	2139	3048	3811	4413	4978	5500	5979	6377	6705	6955
376 – 400	2180	3086	3854	4458	5025	5549	6031	6431	6760	7012
401 – 425	2223	3124	3897	4502	5072	5598	6082	6486	6816	7070
426 – 450	2265	3161	3939	4545	5119	5648	6135	6540	6871	7128
451 – 475	2308	3200	3983	4589	5167	5697	6187	6595	6928	7185
476 – 500	2351	3239	4025	4634	5213	5748	6240	6649	6985	7244
501 – 525	2395	3279	4068	4678	5261	5798	6294	6705	7041	7303
526 – 550	2441	3318	4110	4723	5309	5848	6347	6760	7099	7362
551 – 575	2486	3357	4154	4768	5357	5899	6400	6816	7157	7421
576 – 600	2533	3396	4197	4813	5405	5950	6454	6871	7215	7481
601 – 625	2580	3436	4239	4859	5453	6003	6507	6927	7272	7541
626 – 650	2628	3475	4283	4905	5502	6054	6562	6984	7331	7601
651 – 675	2661	3515	4325	4951	5551	6106	6616	7040	7390	7661
676 – 700	2692	3556	4368	4998	5600	6160	6671	7097	7449	7722
701 – 725	2725	3597	4410	5043	5651	6213	6725	7154	7508	7783
726 – 750	2763	3637	4454	5090	5701	6268	6781	7210	7568	7844
751 – 775	2801	3679	4496	5136	5750	6322	6836	7268	7628	7906
776 – 800	2839	3720	4539	5184	5800	6377	6892	7326	7688	7968
801 – 825	2878	3763	4582	5232	5851	6431	6948	7385	7749	8030
826 – 850	2916	3805	4625	5280	5902	6486	7003	7444	7810	8103
851 – 875	2954	3847	4667	5328	5954	6540	7059	7502	7871	8165
876 – 900	2992	3886	4710	5376	6006	6596	7114	7562	7932	8228
901 – 925	3030	3925	4753	5424	6058	6651	7171	7622	7993	8292
926 – 950	3069	3967	4796	5472	6111	6707	7228	7682	8055	8355
951 – 975	3109	4009	4839	5520	6163	6763	7284	7742	8117	8419
976 – more	3148	4052	4882	5568	6215	6820	7341	7802	8179	8483

24 Sept 2004 SR 83/2004 s7.

LENDER-FINANCED
SASKATCHEWAN STUDENT LOANS

S-61.1 REG 3

TABLE 2
[Section 25.1]

Debt Reduction Table

COLUMN 1 Dollar Amount (\$)	COLUMN 2 Monthly Family Income Ceiling (\$)					
	1 person	2 people	3 people	4 people	5 people	6 people or more
10	539	1180	1396	1612	1815	2012
15	912	1486	1783	2080	2371	2658
20	1105	1645	1984	2324	2660	2294
25	1291	1798	2178	2558	2938	3318
50	1399	1905	2285	2623	3003	3383
75	1506	2012	2392	2688	3068	3448
100	1613	2119	2499	2753	3133	3513
125	1720	2226	2564	2818	3198	3578
150	1827	2334	2630	2884	3264	3643
175	1934	2441	2695	2949	3329	3709
200	2041	2506	2760	3014	3394	3774
225	2148	2571	2825	3079	3459	3839
250	2256	2636	2890	3144	3524	3904
275	2363	2701	2955	3209	3589	3969
300	2470	2766	3020	3274	3654	4034
325	2535	2832	3086	3340	3720	4099
350	2600	2897	3151	3405	3785	4165
375	2665	2962	3216	3470	3850	4230
400	2730	3027	3281	3535	3915	4295
425	2795	3092	3346	3600	3980	4360
450	2861	3157	3411	3665	4045	4425
475	2926	3222	3476	3730	4094	4490
500	2991	3288	3542	3796	4142	4555
525	3056	3353	3607	3861	4191	4621
550	3121	3418	3672	3926	4239	4686
575	3186	3483	3737	3991	4288	4751
600	3251	3548	3802	4056	4337	4816
625	3317	3613	3867	4121	4385	4881
650	3382	3678	3932	4186	4434	4946
675	3447	3744	3998	4235	4482	5011
700	3512	3809	4063	4284	4531	5077

24 Sept 2004 SR 83/2004 s7.

