



University
of Windsor

National Student Loans Service
Centre (NSLSC)



Canada

Student Awards and Financial Aid

The Repayment Process and Your Student Loan

National Student Loans Service Centre (NSLSC)



University of Windsor

Agenda

- What funding must be repaid
- Who Needs to Repay
- Paying back your Student Loan
- Repayment Assistance
- Consequences of Not Repaying Student Loans
- Helpful Links
- Questions



What Funding Must be Repaid

You need to repay your student loan if:

- You took a student loan
- You received a grant or bursary overpayment
- Your grants were converted to a loan



Who Needs to Repay

All students who have outstanding loans are required to start paying back their loan six months after their study period ends.

Students are not required to pay back their loans if the school confirms their enrolment for the next study period, and they submit an application for one of the following programs:

- **OSAP for Full-Time Students**
- **Continuation of Interest-Free Status**



Paying back Your Student Loan

When it is time to start paying back your student loan, here's what you need to know:

1. When you Graduate or leave full-time studies

You have six months after you graduate or leave full-time studies before you need to start repaying your student loan however, interest is charged on your student loan. This is called your six-month non-repayment (grace) period.

No interest is charged on Canada Student Loans, Newfoundland and Labrador, British Columbia, and the Canada portion of Integrated Student Loans during the six-month non-repayment period. For Ontario residents, interest will be charged on the Ontario portion of the loan during the six-month grace period. This interest will be added to the loan principal.

(BETWEEN APRIL 1, 2021, AND MARCH 31, 2023, the interest on the federal portion of student loans was waived to support students during covid.)

2. Estimate your monthly payments

The interest rates on your first payment date are used to figure out the monthly payment for your loan (Ontario = prime rate + 1%, Canada = prime rate +0%).

If interest rates change, your monthly payment stays the same. However, the amount applied to your loan principal will change.



3. Once you have signed in to the NSLSC website, you can do the following:

- Check your student loan status and balances
- Update your contact information
- Apply for repayment assistance
- Request a change to the terms of your repayment

4. Get your repayment package

Within six months after you graduate or leave full-time studies, you'll get a package from National Student Loans Service Centre with the information about:

- Your total number of payments
- The date of your first payment
- The interest rates used to calculate your payment



5. Start repaying your loan

You will make loan payments to the National Student Loan Service Centre by pre-authorized debit, cheque, online banking, money order, or bank draft. If your loan was deposited directly into your bank account, you are automatically set up for pre-authorized debit.

Your payments are based on a 9 ½ year pay-back schedule. This pay-back schedule is the average amount of time it takes to pay back a student loan.

Repaying student loans is an excellent way to establish and improve your credit score. You can make additional payments on your loan at any time if you want to repay it faster.

Get repayment assistance:

If you are having trouble repaying your loan, you might be able to get repayment assistance.



Repayment Assistance

You can [apply to the Repayment Assistance Plan](#) to lower your monthly payments for a six-month period.

Breaking News:

The governments of Canada, Manitoba, Newfoundland and Labrador, Saskatchewan, and New Brunswick have updated their Repayment Assistance Plan (RAP) eligibility with new zero payment income thresholds and the maximum payments have been lowered from 20% to 10% of a household income. The changes are effective in November 2022.

Eligibility

To be eligible to apply for the Repayment Assistance plan, you must:

- Be a resident of Canada
- Have student loans that are in good standing

(Good standing means your student loan is not in default and is not restricted from repayment assistance for other reasons.)



During the repayment assistance period, you will **either**:

- Be exempt from making monthly loan payments
- Or make monthly affordable payments

How to apply

There are 2 ways you can apply for the Repayment Assistance Plan. You can:

- Fill out an application using your National Student Loans Service Centre account
- Complete and submit a paper application

Loan Forgiveness

Investigate loan forgiveness – if you are a nurse working in a rural area, you may be eligible to have some of your student loans forgiven.



Consequences of Not Repaying Loans

If you don't make your loan payments, you will be in default.

A student loan is in default when no required payments have been made for 270 days.

Being in default means:

- Your debt will be turned over to a collection agency
- You will be reported to a credit bureau
- You could be ineligible for further financial aid funding until the default is cleared
- Your ability to get a car loan, mortgage or credit card can be affected
- Your income tax refund and HST rebate can be withheld
- Interest will continue to build up on the unpaid balance of your loan.

Your student loan debt will only be erased when it has been paid in full.



Helpful Links

What happens when you get approved for a student loan:

- https://www.youtube.com/watch?v=Fm_EERv7zgo

Confirm your Enrolment:

- <https://www.youtube.com/watch?v=NLOqGYSH6xc>

NSLSC Contact Information

- <https://protege-secure.csnpe-nslsc.canada.ca/en/public/contact/contact-us>

The NSLSC Learning Hub (Loan Repayment Options)

- <https://www.csnpe-nslsc.canada.ca/en/learning-hub>

Repayment

- <https://www.youtube.com/watch?v=2A2VCFS3mkM>

NSLSC Resources (how to change your banking information)

- <https://www.csnpe-nslsc.canada.ca/en/what-is-new>



Questions?

This concludes our presentation today.

- If you have any further questions, please contact the National Student Loan Service Centre at #1-888-815-4514.

TTY: #1-888-815-4556

- Outside of North America - #800-2-225-2501

Agents are available to assist you over the phone Monday to Friday, 8:00am – 8:00 pm, your local time.

