

## **REVIEWS FOR STUDENTS WHO HAVE DECLARED BANKRUPTCY**

A bankruptcy-related event occurs when a student participates in one of the possible events under the *Bankruptcy and Insolvency Act*, including: filing for bankruptcy; participating in a consumer proposal; or participating in an arrangement for the orderly payment of debts. The bankruptcy-related event may or may not cause the student to fail the credit check; credit check failures cannot be addressed through the Bankruptcy Review provision. If a student participates in a bankruptcy-related event and OSAP programs are included as creditors in the bankruptcy-related event, the student's eligibility for further student loan assistance, continuation or reinstatement of interest-free status, or other OSAP programs may be affected by the bankruptcy. The effect on eligibility will vary depending on the date of the bankruptcy-related event.

### **Date of Bankruptcy-Event: Implications for OSAP Eligibility Before May 11, 2004**

Student is ineligible for further student loan assistance, continuation or reinstatement of interest-free status, or other OSAP programs. Eligibility is restored if student brings his or her OSAP debt to a zero balance. If the debt is brought to zero as a result of an order of absolute discharge, three calendar years must also pass after the date of the order of discharge before restoration of eligibility.

### **On or After May 11, 2004**

If the student is enrolled full-time in a post-secondary program when the bankruptcy-related event occurs, additional full-time student loan assistance (and/or interest free status) may be available on review for up to a maximum of three additional years to allow the student to complete the program of study he or she was enrolled in at the time of the bankruptcy event.

If the above does not apply, the student is ineligible for further OSAP loan, grant, bursary or scholarship assistance, as well as continuation or reinstatement of interest-free status. However, the student may be eligible for: Interest Relief, Debt Reduction in Repayment, Revision of Repayment Terms, Medical Loan Forgiveness and/or Permanent Disability Benefit.

Eligibility for further OSAP assistance is restored if the student brings his or her OSAP debt to a zero balance. If debt is reduced to zero as a result of an order of absolute discharge, three calendar years must also pass after the date of the order of discharge before restoration of eligibility. In addition, any student with an "undischarged" bankruptcy is required to provide documentation to satisfy the Ministry that OSAP assistance issued to the student will not be seized to repay creditors.

### **Bankruptcies On or After May 11, 2004 Where OSAP is a Creditor- MINISTRY AUTHORITY**

A student who is enrolled full-time in a post-secondary program when the bankruptcy-related event occurs, additional full-time student loan assistance (and/or interest-free status) may be available on review for up to a maximum of three additional years to allow him or her to complete the program of study he or she was enrolled in at the time of the bankruptcy event.

To be considered under this review, the following conditions must be met:

- The bankruptcy event occurred on or after May 11, 2004;
- The student was enrolled on a full-time basis in a post-secondary program of study at the time that the bankruptcy event occurred;
- No break in studies of longer than six months has occurred between study periods, since the time of the bankruptcy-related event;
- student continues to be enrolled in the same program of study that he or she was enrolled in at the time of the bankruptcy-related event on a full-time basis, as defined by OSAP;
- The first day of the study period that the student is applying to attend, is less than three calendar years after the date of the bankruptcy event.

In determining whether a student's program should be considered to be the same program of study that they were enrolled in at the time of the bankruptcy-related event, the following conditions must be met:

- No change has occurred in the number of years of the program of study (refer to the cost-code information for the student's program in the year of the bankruptcy-related event, which identifies the number of years of the program, e.g. a 3-year program);
- the student is progressing without delay, through the years of his/her program (e.g. if student was in year 1 of a 3 year program last year, normal progression would be to enter year 2 of a 3 year program. )
- No change has occurred in the educational credential to be received upon completion of the program (identified as part of cost-code information for the student's program in the year of the bankruptcy-related event, e.g. Bachelor, Certificate, Diploma);
- The student is not moving from one Discipline to another (e.g. from Arts to Engineering).

Within a Discipline (such as Engineering, Arts, or Commerce), a change in a student's "major" may occur provided that it is a logical continuation within the program and leads to the same expected post-secondary credential, and provided that it does not require any upwards adjustment to the number of years required to achieve the credential (for example, a shift from Mechanical Engineering to Chemical Engineering would not qualify if the student would be required to meet additional prerequisites and, as a result, the number of years to complete the program would increase).

Transfers by a student from one approved post-secondary institution to another can be accommodated under this review, provided that the student remains in the same program of study so that the above-noted criteria are met.

Note: Where college credits are a requirement or recognized for a university program of study, transfer from a college program into the university program is not considered a change in the program of study and is therefore permissible. Nonetheless, students must complete the university program within the allotted 3-year time period. Further assistance is not available beyond this three-year period.

Once a student completes the program of study that he/she was enrolled in at the time of the bankruptcy-related event, he/she becomes ineligible for additional loan assistance or interest-free status. A student in this situation cannot receive further assistance to extend his or her program of study in order to achieve additional credentials (e.g. a graduate or

post-diploma program). Eligibility is restored if student brings his or her OSAP debt to a zero balance.

**Supporting Documentation Required:**

- If the Ministry's on-line system does not identify the date of the bankruptcy-related event, the student must supply documentation confirming the date of the bankruptcy-related event in order to permit the Ministry to identify whether it occurred before or after May 11, 2004.
- The Financial Aid Office must submit to the Ministry a letter confirming that the program of study that the student was enrolled in at the time of the bankruptcy-related event is the same as the program of study that the student is applying for assistance to attend.

**Additional Documentation required if Bankruptcy is Undischarged at Time of Application:**

- A letter from the student's Trustee in Bankruptcy indicating that none of the funding given to the student through any OSAP program in the year of application will be seized to repay any creditor(s) listed in the bankruptcy.
- A bankruptcy is considered to be undischarged until all of the details have been completed and a discharge obtained.

**Undischarged Bankruptcies Where OSAP Is NOT A Creditor- FAA AUTHORITY:**

A student who had no outstanding debt with respect to OSAP assistance on the date that he or she participated in the bankruptcy event, or who has since brought the balance of their OSAP debt to zero may be considered for further assistance.

However, if the bankruptcy is undischarged at the time of the student's application, the application will not be processed until the student provides documentation to satisfy the Ministry that any OSAP assistance issued to the student will not be seized to repay creditors. In addition, the student must in this case provide confirmation from his or her Trustee that no OSAP program is included as a creditor in the bankruptcy-related event

**Supporting Documentation required:**

- A letter from the student's Trustee in Bankruptcy indicating that none of the funding given to the student through any OSAP program in the year of application will be seized to repay any creditor(s) listed in the bankruptcy;
- A letter from the student's Trustee in Bankruptcy confirming that none of the following programs is included as creditors in the bankruptcy: Canada-Ontario Integrated Student Loans Program, Canada Student Loans Program, Ontario Student Loans Program, Canada Study Grant Program, Ontario Student Opportunity Grant, Ontario Special Bursary Plan, Ontario Work Study Plan, Bursary for Students with Disabilities, Child-Care Bursary.

**Credit Screening Review**

Issues surrounding bankruptcy-related events are addressed according to the above guidelines. Because the OSAP program also completes a credit check of each OSAP applicant, although the bankruptcy issue may be addressed through this review process, you may have to undertake another appeal through the Credit Check Appeal Process. Through this process, you would have to demonstrate to the OSAP Appeal Board that the situation related to the credit history were due to circumstances above and beyond your control and that there is a strong likelihood that you will complete your current program of studies and be in a position to repay your student loans. Please refer to the Failed Credit Check Appeal outline.

**Appeal Submission Cover Sheet –  
Bankruptcy-Related Events**

Please forward to:  
Financial Aid Administrator  
Student Awards & Financial Aid Office  
401 Sunset Ave.  
Windsor, ON N9B 3P4

<b>Office Use:</b>	
<b>Date Received:</b> _____	
<b>Date Reviewed:</b> _____	
<input type="checkbox"/> <b>Approved</b>	<input type="checkbox"/> <b>Not Approved</b>

<b>LAST NAME:</b>	
<b>FIRST NAME:</b>	
<b>U OF W STUDENT ID:</b>	
<b>SOCIAL INSURANCE NUMBER:</b>	
<b>DATE OF BIRTH:</b>	
<b>APPEAL SUBMISSION CHECKLIST:</b>	<ul style="list-style-type: none"> <li>○ A letter from you outlining your request for appealing your OSAP assessment and under what grounds you are appealing;</li> <li>○ Supporting documentation to support your request for appeal.</li> <li>○ Be sure that your letter(s) are SIGNED, DATED and that your name and student ID# appears on all of your supporting documentation.</li> </ul>

**Financial Aid Office Notes:**

The University of Windsor is committed to the protection of privacy and confidentiality of all its constituents. The information collected in this process is collected under the authority of the *University of Windsor Act, 1962* and is collected for the purposes of administering the Ontario Student Assistance Program (OSAP) on behalf of the Ministry of Training, Colleges & Universities and any other need-based financial assistance as administered by the University of Windsor. If you have any questions about the collection of information or the uses to which it will be put, please direct your questions to the Director, Student Awards & Financial Aid. The ministry administers OSAP under the authority of the Ministry of Training, Colleges and Universities Act, R.S.O. 1990, c. M.19, as amended, R.R.O. 1990, Reg. 773, Reg. 774, and Reg. 775, as amended, and O. Reg. 268/01, as amended; the Financial Administration Act, R.S.O. 1990, c. F. 12, as amended; the Canada Student Financial Assistance Act, S.C. 1994, c. 28, as amended; the Canada Student Financial Assistance Regulations, SOR 95-329, as amended; and the Budget Implementation Act, 1998, S.C. 1998, c. 21, as amended. If you have any questions about the collection or use of this information, contact the Director, Student Support Branch, Ministry of Training, Colleges and Universities, PO Box 4500, 189 Red River Road, 4th Floor, Thunder Bay, ON P7B 6G9.