

TERMS AND CONDITIONS  
NOVA SCOTIA STUDENT LOAN AGREEMENT

**DEFINITIONS**

“**Amortization Period**” means the period of time over which the loan principal and interest will be paid in full.

“**Arrears**” means the amount, expressed in dollars and/or days, of a loan payment, that is past due commencing on the first day after a scheduled payment is missed.

“**Authorized Agent**” means the agent authorized from time to time by the Province to administer the disbursement and repayment of Nova Scotia student assistance.

“**Default**” means failing to make the loan payment for more than 270 days.

“**Delinquent**” means failing to make the loan payment on the day it is due.

“**Explanation of Assessment**” means the document sent to a borrower for the purpose of notifying the borrower of his or her most recent needs assessment results.

“**full-time student**” means a student enrolled in and attending at least 60% of a full post-secondary course load, or a person with a permanent disability who is recognized by the Province and is enrolled in and attending at least 40% of a full post-secondary course load.

“**interest-free status**” means a status where no interest is accumulating and no payments are required from the borrower on their Nova Scotia student loan

“**Minister**” means the minister responsible for administering the Nova Scotia student loan program.

“**NSSAO**” means the Nova Scotia Student Assistance Office

“**NSSL**” means a Nova Scotia student loan

“**Prime Rate**” means the variable reference rate of interest as calculated by the Minister upon the variable reference rate of interest declared by the five largest Canadian financial institutions or their successors as their rate for Canadian dollar consumer loans. The Prime Rate will be calculated by ignoring both the highest and the lowest of those five rates and taking the average of the remaining three rates.

“**Province**” means Her Majesty the Queen in right of the Province of Nova Scotia.

## Acknowledgments

### 1. I acknowledge:

disbursement and repayment under the NSSL program is administered on behalf of the Province by its Authorized Agent;

my NSSL is for the purpose of providing necessary funding for the costs of my education and maintenance while I am a full-time student;

any change in my financial situation or family status or status as a full-time student may affect my entitlement to NSSL funds and make me subject to reassessment for which I will receive a revised Explanation of Assessment from the NSSAO;

interest on my NSSL shall not accrue while I am a full-time student or within the six months after I cease to be a full-time student;

I will not be entitled to receive more than the lifetime maximum number of weeks of student assistance, as may be determined from time to time by the Province, including loans or interest-free status;

the Province or its Authorized Agent will send a letter within six months of my ceasing to be a full-time student outlining how much I owe, the Amortization Period, the interest rate, the monthly payment amount, and the payment due date;

the Authorized Agent will determine the amount of my monthly payments based on my choice of interest rate and the Amortization Period. The monthly payments as determined by the Authorized Agent will be based on the interest option applied and the Amortization Period determined by the Authorized Agent;

I will not receive notice of a change in the Prime Rate.

## Repayment

2. I will repay my NSSL, including interest and principal, beginning on the first day of the seventh month after I cease to be a full-time student unless otherwise agreed to by the Province.
3. At the time I am required to start making my loan payments under paragraph 2, I will pay the interest rate that is, at my option, either the Prime Rate plus 0.5% per year or the Prime Rate that is fixed at the day that I make my choice plus 3% per year.
4. If I do not make my choice of interest rate under paragraph 3, I will pay the interest rate of Prime Rate plus 0.5%.
5. Loan payments will be applied first to any unpaid non-sufficient funds charges, secondly to

interest (including overdue interest) and then to principal. If I choose a fluctuating Prime Rate that may rise during the Amortization Period, then the amount of principal repaid by each payment will be reduced. All outstanding principal and interest (if any) will become due and payable on the last day of the Amortization Period.

6. The Authorized Agent will periodically review my loan account to ensure monthly loan payments are sufficient to repay my loan in a timely manner. If the Authorized Agent determines that my monthly loan payments will be insufficient to repay all outstanding loan principal by the last day of the Amortization Period, it will notify me by mail to the last address the Authorized Agent has recorded on my file of an increase in my monthly loan payment that is sufficient, in the Authorized Agent's opinion, to enable repayment in a timely manner.
7. I have the right to pay at any time, without notice, penalty or bonus, all or any part of the principal amount of the loan outstanding and any interest accrued.
8. If I return to being a full-time student at any time after entering into consolidation, I may apply for and receive further NSSL provided that I have not exceeded the maximum number of weeks of assistance and that my loan is not in Arrears of payment.

#### Delinquency

9. I will be considered to be Delinquent if my monthly loan payment has not been received by the Authorized Agent and I have not demonstrated that I have resumed full-time studies as a full-time student or the Province has determined that I am not a full-time student.
10. If I am Delinquent, I may not be eligible to receive further student assistance from the Province, and my credit rating may be adversely affected.
11. If I am in Default, the total outstanding balance of my NSSL shall become immediately due and payable, and the Province or its Authorized Agent may take legal action against me at their discretion.

#### Obligation to Inform

12. I will notify the Authorized Agent immediately of any change in my name, address, banking information or status as a full-time student.
13. I will notify the NSSAO immediately of any change in my name, address, family status, status as a full-time student or any other change to information in my student loan application.
14. If I am in repayment and return to being a full-time student, I must complete and submit a "Schedule 2 - Continuation of Enrollment Form" to the Authorized Agent in order to keep my NSSL in interest-free status.
15. The Province may change the provisions of this Agreement from time to time and will send

written notice to me of any change in the Agreement by mail to the last address the Authorized Agent has recorded on my file. When I receive a notice of change I may repay all amounts owed within 14 days if I wish to end this Agreement. If I do not repay all amounts owed, the change will be deemed to have been accepted by me.

#### Authorization

16. I direct the Authorized Agent to debit my bank account each month on the loan payment due date, for the loan payment amount as determined by the Authorized Agent. The bank account will be the bank account to which my NSSL was disbursed or for which I provide details to the Authorized Agent. The Authorized Agent will apply all payments directly to my NSSL.
17. Should my financial institution dishonor any payment on my loan due to non-sufficient funds in my account, I will pay to the Province any charges applied by the financial institution.

#### Miscellaneous

18. Each of the provisions contained in this agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this agreement.
19. A waiver by the Province of any breach of a term or condition of this agreement shall not bind the party giving it unless it is in writing. A waiver which is binding shall not affect the rights of the party giving it with respect to any other breach.
20. Time is of the essence of this agreement.
21. All completed forms which formed the basis of my application for NSSL shall form part of this agreement.
22. This agreement contains the entire agreement concerning the subject matter of this agreement and no other understanding or agreements, verbal or otherwise, exist between the parties.
23. This agreement may not be assigned by me.