



Effective August 1, 2002, Loan Remission will be replaced by Debt Reduction Grants, which provide the following benefits to eligible post-secondary graduates:

- ✓ Up to the full amount of the provincial student loan may be converted into a non-repayable grant;
- ✓ There is no application process - students will be contacted directly;
- ✓ Debt reduction grants are earned on a semester basis, and students will be notified annually, and;
- ✓ Special provisions to accommodate students who have extenuating circumstances.

Eligible students must:

- ✓ Graduate from a qualifying post-secondary program that is at least 80 weeks in duration;
- ✓ Borrow more than \$165 per borrowing week during a given semester;
- ✓ Be successful in at least 80% of a full-course load in a given semester, except when it has been determined that there are extenuating circumstances, and;
- ✓ Apply and be deemed eligible to borrow for at least half of the required length of their post-secondary program.

During the first two years of the new program, graduating students are eligible for either debt reduction grants or loan remission.

Debt reduction grants are calculated on a semester basis as follows:

For students who pass a full course load:

Grant is equal to the amount borrowed in excess of \$165 per borrowing week, and is applied directly against provincial loan.

For students who pass 80% of a full course load:

Grant is equal to half of the amount borrowed in excess of \$165 per borrowing week, and is applied directly against provincial loan.

Example 1: Maximum borrowing, 17 week semester

CSL $\$165 \times 17 = \2805
PSL $\$110 \times 17 = \1870
Total = \$4675

Borrowing > \$165/week = \$1870

Debt Reduction Credits
at 100% = \$1870
at 80% = \$935

Balance Owing at 100% = \$2805
at 80% = \$3740

Example 2: Less than maximum borrowing, 17 week semester

CSL $\$120 \times 17 = \2040
PSL $\$80 \times 17 = \1360
Total = \$3400

Borrowing > \$165/week = \$595

Debt Reduction Credits
at 100% = \$595
at 80% = \$298

Balance Owing at 100% = \$2805
at 80% = \$3102