



Citizenship and
Immigration Canada

Citoyenneté et
Immigration Canada

OP 17

Loans

OP 17 Loans

1	What this chapter is about	1
2	Program objectives	2
2.1	Admissibility loan	2
2.2	Assistance loan	2
2.3	Right of Permanent Residence Fee loan	2
2.4	Transportation loan	2
3	The Act and Regulations	3
3.1	Legislative authorities	3
3.2	Administrative guidelines	4
3.3	Forms	4
4	Instruments and delegations	5
4.1	Program authority	5
4.2	Signing and approval authority	5
5	Departmental policy	6
5.1	Guiding principles	6
5.2	Alternative loan arrangements	6
5.3	Application of interest	6
5.4	Effective date	6
5.5	Eligible applicants	7
5.6	Interest	7
6	Definitions	8
6.1	Admissibility loan	8
6.2	Assistance loan	8
6.3	Contribution program	8
6.4	Financial undertaking	8
6.5	IMM 0500E	8
6.6	IMM 0501B	8
6.7	IMM 5355	9
6.8	Interest	9
6.9	Interest rate	9
6.10	IOM	9
6.11	Letter of Understanding	9
6.12	RAP	10
6.13	Right of Permanent Residence Fee loan	10
6.14	Sponsor	10
6.15	Transportation loan	10
6.16	Transportation warrant	10

7	Procedure: Applying for a loan	11
8	Procedure: Assessing and approving loans	12
8.1	Determining need	12
8.2	Assessing the potential ability to repay	14
8.3	Assessing contributing factors	14
9	Procedure: Making alternative loan arrangements	19
9.1	Types of alternative arrangements	19
9.2	Determining if the sponsorship group is eligible	19
9.3	Establishing alternative arrangements	19
9.4	Making an advance payment	20
9.5	Establishing a set monthly payment	21
9.6	Signing authority for the Letter of Understanding	22
10	Procedure: Admissibility loan	23
10.1	Determine if the client is eligible	23
10.2	Eligible expenses	23
10.3	Required documentation	23
10.4	Procedures for processing	23
11	Procedure: Assistance loan	24
11.1	Types of assistance available	24
11.2	Basic needs of life	24
11.3	Basic household needs	25
11.4	Labour market access needs	25
11.5	Determining if the client is eligible	26
11.6	Required documentation	26
11.7	Procedures for processing	27
11.8	Converting assistance loans to RAP contributions	27
11.9	Converting assistance loans to RAP contributions at the RAP office	27
11.10	Converting assistance loans to RAP contributions at the regional office	28
11.11	Converting assistance loans to RAP contributions at national headquarters	28
12	Procedure: RPRF loan	29
12.1	Determining if the client is eligible	29
12.2	Giving an RPRF refund	29
12.3	Required documentation	29
12.4	Procedures for processing the RPRF loan	30
12.5	Timelines for approving an RPRF loan	30
12.6	In-Canada clients: Processing the RPRF loan at CPC Vegreville	30
12.7	In-Canada clients with family members abroad: Finalizing the RPRF loan agreement at the immigration office in Canada	31
12.8	Sponsors of family class members: Finalizing the RPRF loan agreement at the immigration office in Canada	31
12.9	Step one: At CPC Vegreville	31

12.10	Step two: At CPC Mississauga	32
12.11	Forwarding copies of the IMM 0500 form to NHQ Finance	32
12.12	RPRF refunds: Refused undertakings of assistance	32
12.13	Establishing a client file at NHQ Records	32
13	Procedure: Transportation loan	34
13.1	Determine if the client is eligible	34
13.2	Eligible expenses	34
13.3	Expenses for transportation and related costs for further medical examinations	35
13.4	Expenses not eligible	35
13.5	Transportation loan for special circumstances	35
13.6	Required documentation	36
13.7	Processing non-accompanying family members under the one-year window of opportunity program (see OP 5)	36
13.8	Processing a transportation loan for refugees from abroad	37
13.9	Processing a transportation loan in Canada	37
13.10	Travel arrangements made by visa offices abroad	37
13.11	Travel arrangements made by immigration offices in Canada	38
13.12	Choosing the airline or travel agency	39
13.13	IOM services	39
13.14	Alternative travel arrangements	39
13.15	Where the visa office initiates a request for the sponsor to pay travel expenses	40
13.16	Where a sponsor initiates a request to pay travel expenses	40
13.17	Processing a transportation warrant in Canada or abroad	41
13.18	Making changes to the transportation warrant	42
14	Procedure: How loans are paid/collected	43
14.1	Notice of payment	43
14.2	Methods of payment	44
14.3	Payroll deductions	44
14.4	Deferral of loan payments	44
14.5	When and how a loan recipient must notify Collection Services about a change of address	45
14.6	Recovery of delinquent loans	45
14.7	Death of a loan recipient	45
14.8	Where a loan recipient has left Canada	45
15	Procedure: Counselling of loan applicants	46
15.1	Determining the client's preferred language	46
15.2	Explaining a loan request refusal	46
15.3	Explaining the terms and conditions of a loan	46
15.4	Explaining the role of collection agencies	46
16	Procedure: Using the Immigration Loan form (IMM 0500E)	47

16.1	When to use the IMM 0500E	47
16.2	Completing the IMM 0500	48
16.3	Cancelling an IMM 0500	54
17	Procedure: Using the Immigration Loans and Undertaking to Repay form (IMM 0501B)	55
17.1	When to use the IMM 0501B	55
17.2	Completing the IMM 0501B	55
17.3	Cancelling the IMM 0501B	55
18	Procedure: Using the Immigration Loans (Assistance Loan) form (IMM 5355B)	56
18.1	When to use the IMM 5355B	56
18.2	Completing the IMM 5355B	56
18.3	Cancelling the IMM 5355B	56
19	Procedure: Calculating the interest on loans	57
19.1	How the interest rate is established	57
19.2	Application of interest for Convention refugees and members of the Humanitarian- protected persons abroad classes selected abroad	57
19.3	Application of interest for all other eligible persons	57
19.4	Interest rates on subsequent loans	58
20	Procedure: RAP contribution program	59
20.1	Determining if the client is eligible	59
20.2	Accessing the RAP contribution program	59
20.3	Resettlement Division considerations	59
20.4	Visa office procedures	60
20.5	Procedures at Financial Services, NHQ	60
Appendix A - List of call centres across Canada		A-1
Appendix B - Loan assessment sheet		A-2
Appendix C - Common questions to ask client		A-4
Appendix D - Immigration loans - Annual Interest Rates		A-5
Appendix E - Instructions for IOM, transportation company or travel agency		A-6
Appendix F - Letter of understanding		A-8
Appendix G - Immigration loans program - flow charts		A-10
Appendix H - Transfer of an immigration loan to		

contributions/Transfert d'un prêt pour immigration aux contributions . .A-11

1 What this chapter is about

This chapter covers how to determine the eligibility of applicants to receive:

- admissibility loans;
- assistance loans;
- Right of Permanent Residence Fee (RPRF) loans; and
- transportation loans.

This chapter also discusses:

- the collection of loan payments; and
- how to complete the IMM forms.

2 Program objectives

The Immigration Loans Program provides financial assistance, in the form of a loan, to eligible applicants. The program is comprised of four loan options:

- admissibility loan (see [Section 2.1](#));
- assistance loan (see [Section 2.2](#));
- RPRF loan (see [Section 2.3](#)); and
- transportation loan (see [Section 2.4](#)).

2.1 Admissibility loan

The objective of the admissibility loan (see definition, [Section 6.1](#)), is to provide financial assistance to Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs of medical services required to establish their admissibility to Canada.

2.2 Assistance loan

The objective of the assistance loan (see definition, [Section 6.2](#)), is to provide financial assistance to foreign nationals, permanent residents, Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs associated with the initial settlement of persons granted admission to Canada.

2.3 Right of Permanent Residence Fee loan

The objective of the RPRF loan (see definition, [Section 6.13](#)), is to provide financial assistance to foreign nationals to cover the cost of the RPRF when seeking permanent residence for themselves and/or their family dependants.

2.4 Transportation loan

The objective of the transportation loan, (see definition, [Section 6.15](#)), is to provide financial assistance to foreign nationals, Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs of transportation for themselves and/or their family dependants to their place of final destination. This also includes approved service fees from the International Organization for Migration, (see definition, [Section 6.10](#)), as well as other related expenses.

3 The Act and Regulations

3.1 Legislative authorities

When approving immigration loans, the designated officer must respect and is subject to the following legislative authorities:

Legislative authority	Topic/ section
Immigration and Refugee Protection Act	<ul style="list-style-type: none"> • Definitions: A2 • Objectives of the Act: A3(c),(d) and (e) • Requirements before entering Canada: A11(1),(2) • Selection of Permanent Residents: A12(1),(3) • Sponsorship: A13(1),(2), (3), (4) • Humanitarian and compassionate grounds: A25 (1),(2) and A26 • Loans: A88
Immigration and Refugee Protection Regulations	<p>Part 18 Loans</p> <ul style="list-style-type: none"> • Definition of beneficiary: R288 • Types of loans: R289 • Maximum amount: R290 • Repayment: R291 • Deferred payment: R292 • Rate of Interest: R293 <p>Part 19 Fees</p> <p>Interpretation: R294</p> <p>Right of Permanent Residence: R303(1)</p>
Immigration Act Fees Regulations	Sections 26 and 27
Financial Administration Act	Section 303
Canadian Charter of Rights and Freedoms	
Canadian Human Rights Act	

A88, R2 and R288 to R293 set out the terms and conditions for immigration loans. These sections are paraphrased on the reverse-side of the IMM 0500E, IMM 0501B and IMM 5355B forms.

OP 17 Loans

3.2 Administrative guidelines

The following administrative guidelines set out the parameters and procedures to assist the designated officer in the delivery of the Immigration Loans Program:

- Guidelines to the *Financial Administration Act*;
- Treasury Board Terms and Conditions governing RAP;
- Treasury Board Manual: Chapters 3, 5 and 7;
- In-Canada Processing of CR Seeking Resettlement and Members of the Humanitarian Designated Class, [IP 3, Part 1](#);
- Refugees-Protected Persons, [OP 5](#);
- Cost Recovery Processing Fees, [IR 5](#).

3.3 Forms

The forms required are shown in the following table.

Form title	Form number
Immigration Loan / Contribution	IMM 0500E
Immigrant Loan and Undertaking to Repay	IMM 0501B
Immigrant Loans (Assistance Loan)	IMM 5355B
Confirmation of Permanent Residence	IMM 5292 (previously IMM 1000)
Application to Sponsor and Undertaking	IMM 1344EA
Control Log (IMM 1000)	IMM 1334B
Permit to Come into or Remain in Canada – The <i>Immigration and Refugee Protection Act</i> , section 24	IMM 1263B
Requisition for Non-Controlled Immigration Forms	IMM 1389B
Requisition for Immigration Controlled Forms	IMM 1409B
Requisition for Supplies or Services	CIC 0004B

4 Instruments and delegations

4.1 Program authority

The Refugees Branch, National Headquarters (NHQ), is responsible for the development and administration of the program. Where specific regional or visa office instructions have been developed to supplement the guidelines, a copy must be provided to the Director, Resettlement Division (SRE), Refugees Branch.

4.2 Signing and approval authority

Full authority to sign loan agreements (forms IMM 0500E, IMM 0501B) for a combined loan maximum of C\$10,000 and loan agreement (form IMM 5355B) for a maximum of \$2,500 may be delegated by the Minister to the officers. For the purposes of the Immigration Loans Program, designated officers, RAP counsellors and collection officers in Collection Services are immigration and visa officers, Finance, NHQ. Signing authority is delegated to the CR-5 level (officer assistant) for the RPRF only.

The authority to approve immigration loans over C\$10,000 is delegated to the immigration program managers for visa offices abroad and managers of admissions and settlement services at immigration offices in Canada.

By authorizing a loan agreement, the designated officer certifies the following:

- that all relevant statutes, regulations, orders-in-council, Treasury Board and departmental directives have been complied with;
- that, in accordance with section 34 of the *Financial Administration Act*, the approved loan is legally chargeable against the account; and
- that, in accordance with section 34 of the *Financial Administration Act*, there are funds available within the appropriation to meet the expenditure. Notification will be sent by the Director, Resettlement Division, Refugees Branch, NHQ, should there be a problem with the funding level.

When duly signed by the loan applicant in the presence of a designated officer, the following forms are considered legal documents:

- Immigration Loan (RPRF loan, transportation loan, admissibility loan) IMM 0500 form;
- Immigration Loan and Undertaking to Repay IMM 0501 form; and/or
- Immigration Loans (Assistance Loan) IMM 5355 form.

By signing a loan agreement, loan applicants certify the following:

- that they are of legal age of majority (18 years of age or older);
- that they understand the terms and conditions associated with the loan agreement; and
- that they will comply with the stated terms and conditions for loan repayment.

5 Departmental policy

5.1 Guiding principles

The Immigration Loans Program operates on an advance from the Consolidated Revenue Fund (CRF). The maximum amount that may be advanced from the CRF is set by regulation. Loan repayments, on existing loan accounts, maintain the fund and are used to finance new loans.

According to R289, various categories of persons are eligible to apply for an immigration loan. In practice, the majority of loans are approved for Convention refugees and their family dependants, and members of the Humanitarian-protected persons abroad classes who come to Canada, either with government assistance or through private group sponsorships, as part of the Annual Refugee Plan.

The continued viability of the CRF rests on the fulfilment of two governing policy directives:

- that loans be approved only for those persons who can demonstrate the need for a loan; and
- that loans be approved only for those persons who can demonstrate the ability, or potential ability, to repay the size of the loan required.

5.2 Alternative loan arrangements

On occasion, a loan applicant who does not qualify for a loan may have the request reconsidered if the amount of the loan and the monthly payments can be reduced. In some cases, a third party, for example, a sponsorship organization, may wish to assist a sponsor in Canada who is unable to pay the loan amount required to bring their immediate family members to Canada.

5.3 Application of interest

Convention refugees selected abroad and members of the Humanitarian-protected persons abroad classes are subject to a free-of-interest grace period which may vary from one to three years, depending on the size of the loan (R293(3)). The rate of interest in effect at the time the loan was established (i.e., the date the person for whom the loan was established arrives in Canada and becomes a permanent resident) is the rate that will be applied on the balance of the loan at the end of the grace period.

Immigration loans issued to all other eligible persons under R289 bear interest at a rate which is charged according to R293(1), depending on the type of loan approved. The rate in effect at the time the loan was established is the rate that will be applied.

5.4 Effective date

In accordance with the provisions set out in R291(1) loans come into effect as follows:

- in the case of a transportation loan (see [Section 13](#)) and an admissibility loan (see [Section 10](#)), 30 days after the person for whose benefit the loan was made arrives in Canada;
- in the case of an assistance loan (see [Section 11](#)), 30 days after the person benefiting from the loan has been issued the loan; and

- in the case of an RPRF loan (see [Section 12](#)), once the earlier of either condition above is met.

5.5 Eligible applicants

According to R289, various categories of persons are eligible to apply for an immigration loan. In practice, the majority of loans are approved for Convention refugees and their family dependants, and members of the Humanitarian-protected persons abroad classes, who come to Canada, either with government assistance or through private sponsorships, as part of the Annual Refugee Plan.

5.6 Interest

All loans approved after February 27, 1995 are subject to interest provisions (see [Section 19](#)).

6 Definitions

6.1 Admissibility loan

The admissibility loan (see [Section 10](#)) provides financial assistance to Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs of medical services required to establish their admissibility to Canada.

According to R289, medical examination costs, such as the immigration medical examination, qualify as authorized expenses, as do costs for travel documents.

6.2 Assistance loan

The assistance loan (see [Section 11](#)) provides financial assistance to foreign nationals, permanent residents, Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs associated with the initial settlement of persons granted admission to Canada.

6.3 Contribution program

Certain categories of refugees who are selected abroad (i.e., single parent, large refugee families, women at risk, disabled refugees) who apply for an immigration loan may have access to the contribution fund from the RAP (see [IP 3, Part 2](#)).

This fund will pay, on a contribution basis, for transportation, medical examination and associated costs to the final destination in Canada for selected special-needs refugees.

6.4 Financial undertaking

When the applicant signs the loan agreement, i.e., IMM 0500E, IMM 0501B or IMM 5355B, it becomes a financial undertaking that holds the applicant legally responsible for the repayment of the RPRF, admissibility, transportation, or assistance loan.

6.5 IMM 0500E

IMM 0500E (see [Section 16](#)), must be used for any combination of the following loan options:

- RPRF loan (see [Section 12](#));
- admissibility (see [Section 10](#)); or
- transportation loan (see [Section 13](#)).

6.6 IMM 0501B

IMM 0501B (see [Section 17](#)) must be used when a person in Canada agrees to pay the following for a dependant or spouse overseas:

- RPRF loan (see [Section 12](#));
- admissibility (see [Section 10](#)); or
- transportation loan (see [Section 13](#)).

6.7 IMM 5355

IMM 5355B is the form that must be used when making an assistance loan (see [Section 11](#)).

6.8 Interest

All loans, including loans to Convention refugees and members of the Humanitarian-protected persons abroad classes, approved as of February 28, 1995, will accrue interest. The interest is calculated on the unpaid balance of the loan account.

In the case of a loan where payments have been deferred in accordance with R293(3), interest will continue to accrue during this period.

Interest-free loans approved before February 28, 1995 will remain interest-free. New loan options added to an existing interest-free loan account will also remain interest-free.

6.9 Interest rate

The interest rate is set each January by the Department of Finance. Loans issued to Convention refugees and members of the Humanitarian-protected persons abroad classes, selected abroad, are subject to a free-of-interest grace period which, depending on the size of the loan, may vary from one to three years.

6.10 IOM

IOM, the International Organization for Migration, is an international organization that assists in the orderly migration of persons to other countries. As one of its functions, the IOM provides transportation for many foreign nationals to Canada at greatly reduced prices. Both visa offices and immigration offices in Canada may use the travel services provided by IOM to arrange for the travel of applicants and/or their family dependants living abroad.

IOM, New York, also processes the transportation warrants (IMM 0500E) for loan applicants.

6.11 Letter of Understanding

The Letter of Understanding (see [Section 9.6](#)) sets out the financial arrangement made by an individual or sponsorship group on behalf of the loan applicant. As such, the letter of understanding is a legal document (see [Appendix F](#)).

OP 17 Loans

6.12 RAP

The Resettlement Assistance Program (see [IP 3, Part 2](#)) provides income support and a range of immediate essential services to Convention refugees and members of the Humanitarian-protected persons abroad classes.

6.13 Right of Permanent Residence Fee loan

The RPRF loan (see [Section 12](#)) provides financial assistance to foreign nationals and permanent residents to cover the cost of the RPRF when seeking permanent residence for themselves and/or their family dependants.

An approved RPRF loan covers the full amount of the permanent residence fee that is applicable in a loan application. The permanent residence fee requirement cannot be defrayed by combining a cash payment and a loan.

6.14 Sponsor

A sponsor is a Canadian citizen or permanent resident who agrees to provide support, both financial and emotional, to a Convention refugee or a member of the Humanitarian-protected persons abroad classes. They may sponsor a refugee in one of three ways:

- Sponsorship Agreement Holders (SAHs) and/or their Constituent Groups (CGs);
- Groups of Five (G5); or
- other private sponsorship groups.

6.15 Transportation loan

The transportation loan (see [Section 13](#)) provides financial assistance to foreign nationals, Convention refugees and members of the Humanitarian-protected persons abroad classes to cover the costs of transportation for themselves or their family dependants to their place of final destination. This also includes approved service fees from the IOM (see [Section 6.10](#)), as well as other related expenses.

6.16 Transportation warrant

When the IMM 0500E (see [Section 16](#)), is used for a transportation loan, it is referred to as the “transportation warrant.” It enables the applicant to obtain one-way travel tickets to Canada when presented to the IOM (see [Section 6.10](#)), a travel company or agency authorized to provide travel accommodation for refugees.

7 Procedure: Applying for a loan

A person interested in obtaining an RPRF loan may apply for one in Canada at the Case Processing Centre (CPC), Vegreville, or abroad at a Canadian visa office. Transportation and admissibility loans may be obtained in Canada, by applying at an immigration office in Canada or abroad, at a visa office. An assistance loan may be obtained by applying at the settlement division of an immigration office in Canada. Further information on immigration loans can also be obtained by contacting any of the Immigration Call Centres (see [Appendix A](#)).

For information about:	See
General steps for assessing and approving a loan	Section 8
Making alternative loan arrangements	Section 9
Applying for an admissibility loan	Section 10
Applying for an assistance loan	Section 11
Applying for a RPRF loan	Section 12
Applying for a transportation loan	Section 13

8 Procedure: Assessing and approving loans

To approve a loan, an officer must:

- determine the need;
- assess the potential ability to repay; and
- assess contributing factors.

See Common Questions to Ask Client ([Appendix C](#))

8.1 Determining need

When determining need, the following factors should be considered:

Factor	Description
Financial situation	<p>In determining a loan applicant's demonstrated need for a loan, a designated officer is required to assess the applicant's ability or potential ability to repay the requested loan. (See Loan Assessment Sheet, Appendix B.) In Canada, an assessment of the applicant's monthly income, monthly expenses and other assets and liabilities, if available, will give a designated officer a general snapshot of the applicant's actual financial situation and their potential ability to repay the loan. Abroad, as the designated officer will not be able to assess the monthly income and expenses, an assessment of the applicant's ability to find employment and the type of employment that they are most likely to find can be made.</p>
Access to other lending institutions	<p>The Immigration Loans Program is to be viewed as the lender of last resort. The in-Canada loan applicant normally has access to other lending institutions. Before approving a loan, the designated officer should determine whether the in-Canada applicant has first attempted to approach another lending institution. A letter of refusal from a lending institution would indicate that the in-Canada applicant has tried to obtain a loan elsewhere.</p> <p>A designated officer should encourage the in-Canada applicant to apply for a loan at other lending institutions in the following cases:</p> <ul style="list-style-type: none"> • if the loan applicant is a permanent resident who has been in Canada for three years or more and is able to work; • if the loan applicant possesses assets such as stocks and bonds, real estate, savings, RRSPs, or other securities (in more than a nominal quantity) that could be liquidated or used as collateral to obtain a loan. <p>If either of these circumstances apply to the in-Canada applicant, the designated officer should consider a loan refusal.</p>

<p>Consideration of immigration class</p>	<p>Certain foreign national classes, such as sponsored members of the family class, the independent foreign national class, and the entrepreneur or investor class, suggest that financial assistance is not required by their very definition or by the terms and conditions that apply to these classes.</p> <p>For instance, in the case of a member of the family class, the sponsor must satisfy a designated officer that sufficient financial resources exist on behalf of the person(s) being sponsored, and must demonstrate that they have the ability to meet the basic needs of sponsored persons without relying on social assistance. To request an immigration loan in order to fulfil the sponsorship undertaking could contravene the terms of the agreement, except in the case of a spouse and dependent children under 22 years of age.</p> <p>Independent foreign nationals, on the other hand, are selected on the basis of their ability to become successfully established in Canada. Independent foreign nationals are thus expected to have sufficient resources to meet their needs without having to require an immigration loan.</p> <p>Likewise, foreign nationals applying under the entrepreneur class are selected on the basis of their ability to make a significant contribution to the Canadian economy. Foreign nationals applying under the investors' class are required to make a capital investment that will create or continue employment for Canadian citizens or permanent residents. Foreign nationals applying under the entrepreneur or investor class would, therefore, not be expected to require the type of financial assistance provided under the Immigration Loans Program.</p> <p>However, as of June 25, 2001, Quebec was allowed limited access to the Immigration Loans Program for those persons whom Quebec selects as privately sponsored cases under section 18 c) iii) of their Regulations, which provides for selection outside federal humanitarian classes. As these persons are not Convention refugees seeking resettlement or members of the Humanitarian-protected persons abroad classes, they are not eligible for an admissibility loan which covers the medical costs. Please refer to OM OP 01-15 (Guidelines for issuance of loans to privately sponsored refugees selected by Quebec under section 18 c)iii) of their Regulations. The Regulations can be found on the Intranet).</p>
<p>Special-needs refugees</p>	<p>As of February 20, 1997, certain categories of refugees selected abroad (i.e., family units with different size and/or composition such as single parent, large refugee families, the elderly, women at risk and disabled refugees) who apply for an immigration loan may be granted access to a contribution from RAP (see IP 3, Part 2).</p>

OP 17 Loans

Savings and demonstrated need	In certain instances, a designated officer may be called upon to assess a loan application where the loan applicant is employed and has some savings but not enough to pay the RPRF, such as in the case of a live-in caregiver with limited savings and steady employment. This situation suggests that the applicant may well be in need of a loan even though they have savings. In this case, the demonstrated ability to save may be rightfully interpreted as a potential ability to repay the loan. The designated officer should consider this possibility in the assessment of the loan application along with the size of the loan requested.
-------------------------------	---

8.2 Assessing the potential ability to repay

The loan applicant's ability, or potential ability, to repay the loan is the second factor a designated officer needs to consider when assessing a loan application. The potential ability to repay the loan, however, is more difficult to evaluate as it involves weighing many contributing factors. The designated officer's sound judgment and discretion are essential to evaluate an applicant's ability, or potential ability, to repay a loan.

When assessing an applicant's ability, or potential ability, to repay a loan, the following should be taken into account:

- income potential; and
- contributing factors.

8.3 Assessing contributing factors

In assessing the income potential of the applicant, a designated officer should also consider a combination of any of the following relevant factors:

- the applicant's actual and potential ability to earn income;
- the applicant's other financial obligations (i.e., number of family dependants, outstanding debts, other liabilities, etc.);
- whether the applicant currently has a capacity to use one of Canada's official languages;
- whether the applicant currently has stable employment and/or transferable skills;
- whether the applicant is currently unemployed and requires extensive retraining (e.g., two years or more) or additional education before they can successfully compete in the open labour market; and
- whether the applicant's employability is temporarily or permanently restricted because of a serious medical problem or long-term illness.

The designated officer may need to consider other factors as shown in the following table, which may be significant in the assessment of the applicant's income potential.

Factor	Description
Age	<p>An applicant's age is not a stand-alone factor in determining whether an applicant's loan application should or should not be approved. For the purpose of the Immigration Loans Program, a person must be 18 years of age or older in order to contract for the repayment of a loan. However, any dependant under the age of 22 may be included in the principal applicant's loan application. Individual family circumstances should dictate whether or not to include a dependant between the ages of 18 and 22. Thus, the designated officer has the flexibility to decide on the benefit or impediment of including older dependants on the same loan.</p> <p>The designated officer should always consider other important factors in combination with the applicant's age when assessing a loan application. For instance, the applicant's intent and ability, or potential ability, to enter the labour market, the applicant's potential ability to repay the loan given their participation in the labour market, and the applicant's assets derived from other than labour market sources (such as stocks and bonds, savings, RRSPs, securities or real estate).</p>
Ability to speak one of Canada's official languages	<p>Similarly, the level of language competency in one of Canada's official languages is not a stand-alone factor in determining whether a loan application should or should not be approved. The level of a person's language competency, however, is an important consideration in determining an applicant's ability, or potential ability, to enter the labour market. The level of language competency should be viewed, therefore, in combination with other factors (such as health and age) when assessing a loan application.</p> <p>When considering the impact that the level of language competency will have on an applicant's ability to enter the labour market, the designated officer should also consider the provisions available, under R292 for the deferral of loan payments for Convention refugees, members of the Humanitarian-protected persons abroad classes and foreign nationals. This provision allows for more flexibility in borderline cases (see Section 14.4, Deferral of loan payments).</p> <p>An applicant registered in a language course, in order to enhance their ability to enter the labour market, in itself, should not be viewed negatively if the applicant is a recent arrival and the course is of less than two years' duration. However, applicants who have been in Canada a year or more and are registered in a course of study of two or more years' duration, may not demonstrate the potential ability to repay within a reasonable time frame.</p>

OP 17 Loans

<p>Applicant's level of education</p>	<p>An applicant's level of education needs to be assessed against an applicant's ability, or potential ability, to repay a loan. An applicant with a minimum level of education and few marketable job skills, for instance, may be restricted in the type of employment they are able to obtain and in the wages they are expected to earn.</p> <p>Short delays in the repayment of a loan resulting from vocational training should not necessarily be viewed as a negative factor in the course of assessing a loan application. This is especially true if it is evident that the course of study will enhance the applicant's employability or potentially increase their wages.</p>
<p>Applicant's employment history</p>	<p>An applicant's link to the labour market may demonstrate that they have the necessary skills to continue being employed in the Canadian labour market. This would especially be true where the applicant's employment history indicates consistent employment and progressive career advancement. An applicant's employment history may also demonstrate diverse or transferable skills. This may suggest that the applicant can easily adapt to a changing job market, thus enhancing their ability to maintain or find employment.</p>
<p>Receipt of social assistance</p>	<p>A loan applicant who is receiving some form of social assistance should not be automatically disqualified from receiving a loan. A designated officer should assess the loan application according to the particular circumstances of the case. The assessment should clearly examine the reasons behind the applicant's need for social assistance such as whether the social assistance is a long-term or a temporary situation, and whether the loan applicant is making a real effort to return to the labour market. Long-term recipients of social assistance must not be provided loans until it is clear that the recipients will be capable of repaying the loan in the very near future (less than one year).</p>
<p>Number of family members</p>	<p>The number of family members should be considered when assessing an applicant's potential ability to repay. The number of family dependants is likely to increase the applicant's financial obligations and decrease the availability of funds for the repayment of a loan. This, however, may not always be true as the applicant may have sufficient income to support their needs and those of their family dependants, as well as enough funds to repay the loan. Non accompanying family member (R141(1)) who are being processed later under the one-year window of opportunity must be included in this assessment. It is also possible that the loan applicant can anticipate additional financial support from income earned by family dependants. The expected earnings would consequently contribute to the applicant's overall income and the amount of money available to repay the loan. It may be beneficial, depending on the circumstances and family composition, for older dependants between the ages of 18 and 22 to have their own loan.</p> <hr/> <p>Note: Special-needs refugees, such as large refugee families, may be granted access to a contribution from the RAP.</p> <hr/>

<p>Motivation/ initiative</p>	<p>The personal initiative taken by an applicant to become job-ready may be a significant factor in the assessment of a loan application. Although difficult to measure, all personal initiatives, including volunteer work, part-time work during studies and courses taken that enhance an applicant's ability to compete in the labour market, should be considered when assessing against the applicant's potential ability to repay a loan.</p>
<p>Humanitarian and compassionate factors</p>	<p>There may be borderline cases where a designated officer, inclined to refuse a loan applicant, would consider approving a loan based on humanitarian and compassionate factors such as the danger to one's life.</p> <hr/> <p>Note: If the client is a special-needs refugee, a contribution from the RAP may be approved to cover the loan.</p> <hr/>
<p>Size of loan requested</p>	<p>The size of the loan requested is an important factor to consider when assessing the applicant's financial status. If any dependants are to be processed under the one-year window of opportunity, the designated officer must take these future costs into consideration when assessing the size of the loan. All loans over C\$4,800 issued as of 28 June 2001, for example, must be repaid within 72 months of issuance. On the basis of simple calculations, a loan in the amount of C\$8,000 which was granted a "free-of-interest grace period" of 36 months, would require on average a repayment schedule of more than C\$135 per month.</p> <p>As a general rule, the size of the loan requested should not exceed the applicant's ability to meet their financial obligations. The designated officer may, therefore, consider refusing a loan request if it is clear that an applicant's financial obligations will not permit them to honour the repayment schedule, even if provisions for the deferral of loan payments, set out in R292, are included.</p>
<p>Current debt load</p>	<p>The applicant's current debt load, including previously approved loans, must be taken into account in determining the applicant's potential ability to repay an additional or an increased loan amount.</p> <p>Before approving a loan, the designated officer should verify if the applicant has any other existing or outstanding RPRF, transportation, admissibility or assistance loans. This can be confirmed through the Immigration Program Accounts Receivable (IPAR) system or with Collection Services, NHQ, at 1-800-667-7301. Offices in the Ottawa/Gatineau area may call (613) 952-6905.</p> <p>Where the loan applicant already has an existing loan, the designated officer should determine, with Collection Services, that the applicant's payment record on the existing loan is in good standing before approving a subsequent loan.</p> <p>Where an existing loan is in default, the designated officer should not approve an additional loan until Collection Services advise that an acceptable repayment schedule has been negotiated with the loan applicant.</p>

OP 17 Loans

Note: If the refugee is a special-needs case, please refer to RAP, in [IP 3, Part 2](#).

9 Procedure: Making alternative loan arrangements

9.1 Types of alternative arrangements

Where a loan amount can be approved with the assistance of a third party, an individual or a group may agree to an arrangement whereby the amount of a loan will be reduced by paying the difference between what the loan applicant can repay and the total cost of the loan. This assistance may be provided either through:

- a partial pre-payment to decrease the amount that the applicant must repay (see [Section 9.4](#), Making an advance payment); or
- set monthly payments on behalf of the loan applicant.

9.2 Determining if the sponsorship group is eligible

The following sponsorship groups may, at the request of either the loan applicant or the designated officer, assist an applicant in Canada who has applied for a loan for either themselves and/or immediate family members:

- Sponsorship Agreement Holders (SAHs);
- Constituent Groups (CGs) of Sponsorship Agreement Holders;
- Groups of Five (G5); and
- other private sponsorship groups.

The assistance a group is willing to provide may satisfy the designated officer that the loan applicant will be able to repay the balance of the loan.

9.3 Establishing alternative arrangements

Alternative arrangements can be established in the following situations:

For	Description
In-Canada loan applicants	An in-Canada loan applicant who is unable to assume the full cost for the loan repayment may be able to locate an individual or group willing and able to provide assistance. Friends, family or community groups can help by depositing a lump-sum payment as an advance payment at NHQ (see Section 9.4), or by making set monthly payments (see Section 9.5), over a given period of time.

OP 17 Loans

Government-assisted refugees	<p>If a loan cannot be approved for a refugee on their own, a designated officer may seek the assistance of the Director, Resettlement Division, Refugees Branch, NHQ, to locate a sponsor in order to assist a refugee with all or a portion of the costs. In this case, the sponsoring group may be requested to submit a Joint Assistance Sponsorship (JAS) undertaking.</p> <hr/> <p>Note: A joint sponsorship undertaking may be considered under the contribution fund. See RAP in IP 3, Part 2 for more details.</p> <hr/>
Refugees under private sponsorship agreements	<p>For refugees selected under private sponsorship agreements, a designated officer may request that the immigration office in Canada contact the sponsoring group to determine if the group is willing and able to make a deposit to lower the amount of the loan required by the loan applicant, or to assume the total amount of the loan.</p> <hr/> <p>Note: A private sponsorship undertaking may be considered under the contribution fund.</p> <hr/>
Sponsors located by the immigration office in Canada	<p>The immigration office in Canada may wish to contact a sponsoring group, at the request of the visa office, when the refugees are unable to qualify for loans.</p>

9.4 Making an advance payment

Where an individual or sponsorship organization wishes to make a lump-sum payment to reduce the overall loan amount required, a payment can be made in anticipation of the occurrence of an event (e.g., arrival in Canada). To support a request for the establishment of a suspense account, the designated officer should send the following information to the Director, Resettlement Division, Refugees Branch, NHQ, by fax at (613) 957-5836:

- name, date of birth and file number of the loan applicant;
- visa office and file number;
- details of the family size and composition;
- name, address and telephone number of the individual or sponsoring organization and of the official representative who will be responsible for the payments;
- approximate amount of loan (do not deduct amount of the advance payment from the loan amount); and
- amount to be advanced by the individual or group.

The cheque is made payable to the "Receiver General for Canada" and must be accompanied by a letter identifying the name, date of birth, visa office and file number of the person(s) for whom the payment is made.

The cheque is mailed by the individual or group to the Director, Resettlement Division, Refugees Branch, NHQ, Jean Edmonds South Tower, 17th Floor, 365 Laurier Avenue West, Ottawa, Ontario K1A 1L1.

In the case where an advance payment is made on behalf of a sponsor with family members abroad, the Refugees Branch, NHQ, will inform Revenue Accounting of all relevant information. The loan account will be activated by NHQ Revenue Accounting after the family members have arrived in Canada.

On receipt of notification from NHQ, the immigration office in Canada or visa office will proceed with the approval of the loan. Transportation loans can be approved and transportation warrants issued, only after visas are issued.

When the loan is approved, the immigration office in Canada or visa office will notify the Refugees Branch, NHQ, and copy RHQ. The notification will include the IMM 5292B and IMM 0500E numbers.

9.5 Establishing a set monthly payment

An individual or group may not have a lump sum available but may be willing and able to make set monthly payments over a given period of time or for a given amount of money. This arrangement is particularly beneficial for the loan applicant whose immediate potential to repay is low.

An individual or group who agrees to this arrangement, however, must ensure that full payments in the set amount are made on a monthly basis. Once the individual or group's commitment has been met, the loan applicant becomes responsible for the repayment of the outstanding loan balance.

RHQ or the immigration office in Canada will prepare a Letter of Understanding (see [Appendix F](#)) which the individual or group will be requested to sign.

To support a request for the establishment of monthly payments on behalf of a loan applicant, details of the arrangements agreed to by the individual or group and the set monthly payments to be made for a stated period or for a stated total contribution must be provided by RHQ or the immigration office in Canada. For example, an individual or group agrees to make monthly payments of \$150 over 36 months.

In the case where a letter of understanding is established on behalf of a sponsor with family members living abroad, the individual or group must be advised that the IMM 0500E can only be approved once family members are issued their visas and are able to travel to Canada.

In the case where an individual or group has signed a letter of understanding to support a loan applicant with the repayment of a loan, the manager of an immigration office in Canada will sign the letter of understanding on behalf of the Department. The immigration office in Canada will either proceed with the approval of the loan or will notify the visa office to proceed with the approval of the loan.

In the case of a transportation loan, a transportation loan can be approved and transportation warrants issued only once visas have been issued.

When the letter of understanding has been signed, RHQ or the immigration office in Canada will submit the original copy of the letter of understanding, bearing the signature of the individual or group and including the immigration loans form (IMM 0500E) number, to the Director, Resettlement Division, Refugees Branch, NHQ. Original copy of the letter of understanding must be sent to NHQ, Collection Services.

Once the loan is approved, the visa office will notify the immigration office in Canada or RHQ and copy Refugees Branch, NHQ. The visa office will provide IMM 0500E and IMM 5292B numbers.

9.6 Signing authority for the Letter of Understanding

The letter of understanding sets out the financial arrangement made by an individual or sponsorship group on behalf of the loan applicant. The Letter of Understanding in [Appendix F](#) is therefore a legal document.

In the case of a sponsorship group, a representative of the group with financial authority to sign on behalf of the group, will sign the letter of understanding. If the group is not incorporated, all members of the group will sign the letter of understanding. The group as a whole will be held responsible for the loan repayment according to the provisions set in the letter of understanding.

Revenue Accounting, Finance, NHQ, will establish the loan account under the name of the loan holder. However, the statement of account will be sent to the individual or sponsorship group for the period covered by the letter of understanding.

The complete name(s), address, telephone number and name of the primary contact of the sponsor as well as the name, address, telephone number and the IMM 0500E number of the loan holder, if available, must be included and attached to the letter of understanding.

In order to ensure that monthly payments are credited to the loan holder, the individual or group must include the loan holder's name and loan account number on the front of the loan payment as well as the detachable portion of the statement of account.

10 Procedure: Admissibility loan

10.1 Determine if the client is eligible

R289 lists the categories of persons who are eligible to apply for an admissibility loan.

In Canada, eligible applicants include:

- Convention refugees and members of the Humanitarian-protected persons abroad classes, on behalf of their family dependants residing abroad.

Abroad, eligible applicants include:

- foreign nationals who are Convention refugees and members of the Humanitarian-protected persons abroad classes seeking resettlement in Canada;
- foreign nationals who are Convention refugees and members of the Humanitarian-protected persons abroad classes, on behalf of their family dependants.

For the purposes of the Immigration Loans Program, family dependants (see definition of “dependant” in R2) include the spouse, dependent children under 22 years of age and the children’s dependants under 22 years of age. It can also include any other person who has been under the care, emotional and financial support of the principal applicant.

10.2 Eligible expenses

According to R289(b)(iii), medical examination costs, such as the immigration medical examination, qualify as authorized expenses, as do costs for travel documents.

Medical expenses incurred for medical or psychological evaluations that exceed \$500 should be referred to the Resettlement Division of the Refugees Branch, NHQ, for approval.

10.3 Required documentation

The IMM 0500E form may be used to approve an admissibility loan.

The admissibility loan may be processed in conjunction with the RPRF (see [Section 12](#)), and/or transportation loan (see [Section 13](#)).

See procedures for completing the IMM 0500E ([Section 16](#)), and/or the IMM 0501B ([Section 17](#)).

10.4 Procedures for processing.

Refer to procedures for processing the transportation loan, [Section 13](#).

11 Procedure: Assistance loan

General information and procedures for assistance loans are itemized in the following table.

For information about	See
Types of assistance available	Section 11.1
Determining if the client is eligible	Section 11.5
Required documentation	Section 11.6
Procedures for processing	Section 11.7
Converting assistance loans to RAP contributions	Section 11.8
Converting assistance loans to RAP contributions at the RAP office	Section 11.9
Converting assistance loans to RAP contributions at the regional office	Section 11.10
Converting assistance loans to RAP contributions at national headquarters	Section 11.11

11.1 Types of assistance available

There are three general types of assistance available, as shown in the following table.

For this type of assistance	See
Basic needs of life	Section 11.2
Basic household needs	Section 11.3
Labour market access needs	Section 11.4

11.2 Basic needs of life

A loan may be authorized for basic needs of life in those cases where:

- it is clearly indicated that the person has adequate assets, available for transfer to Canada at a later date, to cover their establishment in Canada; or
- the person has earned some income but is awaiting payment from other sources such as earnings from employment, workers' compensation, training allowances or any other income support measures.

A loan for basic needs of life should only be authorized in special circumstances, as described below:

- Basic needs of life represent the requirements for day-to-day survival and human dignity. As such, these needs include rent, utilities (light, power, water, telephone), food, clothing and, if

necessary and appropriate, incidental expenses, such as local public transportation costs, personal hygiene items, non-prescription health-care aids and newspapers.

- The assistance loan issued for basic needs of life is normally limited to one month's rent, food, etc., pending the verification of the transfer of funds from the loan applicant's home country. A designated officer, who believes that assistance is required in excess of one month, must provide a full report detailing the costs and potential number of loan requests to RHQ for approval.
- When required, a loan may also be authorized for damage deposits for such things as returnable utility deposits (hydro, telephone, gas) and rent. An assistance loan may also be issued to cover the last month's rent in regions where it is paid in lieu of a damage deposit at the same time as the first month's rent.

11.3 Basic household needs

A loan may be authorized for basic household needs for the following categories of persons:

- all ND 2s (other independent foreign nationals), including persons under special programs;
- CR/RS/RA 4s (Convention refugees, Source country refugees, refugees of asylum or members of the Humanitarian-protected persons abroad classes) who do not require language training or have sufficient funds to support themselves or their family dependants who have exhausted their funds and are now indigent;
- CR/RS 1s (Government-sponsored Convention refugees, Source country refugees or members of the Humanitarian-protected persons abroad classes selected abroad, and accompanying family dependants) who have missed their assistance contribution and are in need of assistance. (Refer to RAP procedures, [IP 3, Part 2.](#))

In cases where the client's foreign national category is in doubt, the designated officer should obtain clarification from the immigration office in Canada.

A loan for basic household needs should only be authorized in special circumstances, as described below:

- basic household needs are regarded as complementary to the basic needs of life. As such, these needs include beds, window coverings, tables, chairs and common household effects such as kitchen utensils, pots and pans, brooms, mops and bed linen;
- a loan issued for basic household needs is a one-time provision;
- a request for an assistance loan for basic household needs must not exceed the maximum allowed for such assistance under the Adjustment Assistance Program. See RAP procedures in [IP 3, Part 2](#) for more details.

11.4 Labour market access needs

Labour market access needs are identified as financial barriers to employment, which, if totally or partially removed, would allow a person to accept employment. Needs in this category include costs associated with the purchase of tools, the payment of examination fees and for the care of dependant(s).

The following are examples of costs for which a loan can be approved:

- a hard hat and safety boots required by a construction worker in order to appear on the job site;

OP 17 Loans

- the costs associated with taking an examination for a license to practice a trade or profession needed by a technician or professional in order to accept an offer of employment;
- short-term child care required by a parent in order to begin work immediately.

A loan for labour market access needs should only be authorized in special circumstances, as described below:

- A loan for a dependant's care expenses may be authorized, under exceptional circumstances, when either both parents or a single parent have a confirmed offer of employment and assistance is required to pay for child care in order to accept that employment. Loans for a dependant's care are short-term and cover child care expenses for the first month of employment only. Loans for a dependant's care expenses should not be issued to people who are attending LINC classes or any other training.
- An assistance loan may be approved to obtain licensing for professionals (e.g., a qualified doctor who must register with the provincial college of physicians in order to practice).
- The designated officer must ensure that assistance for labour market access needs is justifiable and should therefore consult with RHQ in order to determine whether the request is meritorious. Receipts for expenditures must be obtained and be kept on file.
- A request for an assistance loan for labour market access needs must not exceed the maximum allowance of \$2,500.

An assistance loan for labour market access needs cannot be authorized for the following:

- to cover training required to enhance a person's marketability (e.g. keyboarding courses and introductory computer program courses, such as Microsoft Word and Excel);
- to cover medical treatment costs. Only medical costs associated with medical care or insurance required to engage in employment are covered.

11.5 Determining if the client is eligible

R289 lists the categories of persons who are eligible to apply for an assistance loan.

Eligible applicants include:

- permanent residents;
- Convention refugees;
- persons lawfully in Canada who are being processed for permanent residence.

11.6 Required documentation

The Immigration Loans (Assistance Loan) form, IMM 5355B is used to approve an assistance loan.

Similar to other loan agreements, the form must be completed and signed by the client in the presence of a designated officer. Once signed, the loan agreement is a legal document (see [Section 18](#)).

A request for an assistance loan must be thoroughly checked and documented before approving. A copy of the applicant's immigration document IMM 5355B must be placed on file.

11.7 Procedures for processing

The designated officer must verify whether the loan applicant has any outstanding loans before approving the assistance loan.

If the loan applicant does not have any outstanding loans, the IMM 5292B Confirmation of Permanent Residence (previously IMM 1000), or other authorization form, should be attached to the Immigration Loans (Assistance Loan) form, IMM 5355B.

The designated officer must seek authorization from the Regional Settlement Division before issuing further loans if the combined total of loans, excluding transportation loans, would amount to \$2,500 or more.

The designated officer may sign the IMM 5355B for costs associated with labour market access needs up to \$1,000. The local office manager/district manager may authorize loan requests in a greater amount but not exceeding \$2,500.

11.8 Converting assistance loans to RAP contributions

The assistance loan is not to be used as an alternative to assistance contributions payable under RAP. Funds issued under the assistance loan must be repaid.

In order to avoid the issuance of a loan when a recipient is actually entitled to a contribution, the designated officer should verify that a loan rather than a contribution is the proper means of assistance.

The goal of the designated officer is to screen out potentially frivolous cases and to identify only those that legitimately warrant approval. For example, an assistance loan should not be issued to a Convention refugee, in lieu of resettlement assistance benefits, in order to penalize them for not attending language instruction classes or for not participating in job search programs. Neither should an assistance loan be approved to recover a contribution overpayment.

When approving a loan for an eligible applicant, care should be taken to avoid the possibility of having to convert the loan to a contribution at a later date. Conversion of a loan to a contribution should be the exception rather than the rule. Should a conversion to a contribution be required, the designated officer must ensure that there is sufficient documentation on file, as the RAP office will be responsible for providing sufficient rationale to support such a recommendation.

For further details, refer to RAP procedures in [IP 3, Part 2](#).

11.9 Converting assistance loans to RAP contributions at the RAP office

When a potential conversion of an assistance loan to a contribution is identified, the designated officer should follow these procedures:

- review the file and investigate, if necessary;
- prepare a detailed memorandum explaining reasons for the conversion and, if applicable, the reasons for any differences between the loan amount and that which is to be transferred to the contribution fund;
- the memorandum should include recommendation(s) and supporting documentation;

OP 17 Loans

- upon approval and signature of the memorandum by the local office manager, the designated officer should forward the memorandum to the Regional Settlement Division for approval on the conversion;
- upon approval by the Regional Settlement Division, the designated officer shall fill out the Transfer of an immigration loan to contributions form (see [Appendix H](#)) requesting the regional settlement office to approve the conversion of the loan into a contribution and establish a commitment for this expenditure in the departmental financial systems.

11.10 Converting assistance loans to RAP contributions at the regional office

Upon receipt of the memorandum, the procedure should be as follows:

- The Regional Settlement Division reviews the report and recommendation made by the local office and obtains any additional information that may be required to support the recommendation.
- In the case where the Regional Settlement Division does not concur with the recommendation, it will return the case to the local office with the decision not to support the recommendation. The local office should inform the client that the request for a conversion was denied.
- In the case where the Regional Settlement Division concurs with the recommendation, it will advise the designated officer, by memorandum, of the decision to support the recommendation and provide the authorization to convert the loan into a contribution to Regional Financial Services.
- Regional financial services must verify that the documentation provided is correct, pursuant to the guidelines established by Accounting Policy, and forward the original to the Chief, Revenue Accounting, Finance, NHQ, with a copy to the Director, Resettlement Division, Refugees Branch.

11.11 Converting assistance loans to RAP contributions at national headquarters

The Chief, Revenue Accounting, Finance, NHQ, verifies the documents ensuring that funds have been committed and that the amounts are correct, in accordance with financial procedures. If all is in order, the transaction is processed to convert the loan to a contribution.

12 Procedure: RPRF loan

RPRF stands for the Right of Permanent Residence Fee.

12.1 Determining if the client is eligible

On February 28, 2000, RPRF was eliminated for Convention Refugees and members of the Humanitarian-protected persons abroad class.

In Canada, eligible applicants include live-in caregivers (LIC) and family-class sponsors for their dependants.

Outside Canada, eligible applicants include dependants in the family-class category as well as certain privately sponsored cases under section 18 c) iii) of Quebec's immigration regulations. Please refer to OM OP 01-15 (Guidelines for issuance of loans to privately sponsored refugees selected by Quebec under section 18 c)iii) of their Regulations. The Regulations can be found on the Intranet).

For the purposes of the Immigration Loans Program, family dependants (see definition of "dependant" in R2) include the spouse or common-law partner, dependent children under 22 years of age and the children's dependants under 22 years of age. It can also include any other person who has been under the care, emotional and financial support of the principal applicant.

The RPRF also applies to persons in Canada, in possession of a temporary resident permit, who are in a position to submit an application for permanent residence.

The sponsor in Canada with dependants living abroad is responsible for obtaining an RPRF loan on behalf of their dependants and for the payment of the loan. The RPRF loan, will be processed at the time an undertaking of assistance/sponsorship is submitted.

12.2 Giving an RPRF refund

The RPRF will be refunded to the loan applicant who has paid the fee but has not successfully established permanent residence in Canada. An unused foreign national visa can be returned for a refund of the RPRF.

The RPRF should not be confused with processing fees (i.e., cost-recovery fees) for immigration services. Processing fees are required from visitor applicants as well as foreign nationals and are not refunded even if the application is refused.

Note: There is no loan option for cost-recovery fees.

12.3 Required documentation

The Immigration Loan form (IMM 0500E) may be used to approve an RPRF loan.

OP 17 Loans

The RPRF loan may be processed in conjunction with the transportation and/or admissibility loan, in order to process, from abroad, the permanent residence of family dependants of family-class foreign nationals or live-in caregivers.

See [Section 16](#) and [Section 17](#) for Procedures for completing the IMM 0500E and/or IMM 0501B forms.

12.4 Procedures for processing the RPRF loan

Procedures for processing the RPRF loan are summarized, in detail, in the RPRF loan, process flow charts in [Appendix G](#).

12.5 Timelines for approving an RPRF loan

There is no legislative timeline to determine when an RPRF loan application, which has been approved in principle by CPC Vegreville, ceases to be valid.

In order to encourage a loan applicant to submit their application for *permanent residence* expeditiously following the approval in principle of an RPRF loan, the validity of the approval in principle for the RPRF loan has been administratively set at 180 days.

The designated officer at an immigration office in Canada may use discretion and continue to honour a loan approved in principle by CPC Vegreville without re-evaluating the person's financial status if the loan applicant presents themselves for permanent residence up to 90 days after the 180-day administrative timeline mentioned above.

12.6 In-Canada clients: Processing the RPRF loan at CPC Vegreville

When an RPRF loan application is received at CPC Vegreville, a designated officer will review the loan application and determine whether it should be approved in principle, refused or returned to the client.

The designated officer will notify the client that the loan application has been approved or explain why it has been refused or returned.

The designated officer will enter the appropriate WIP entry code into the CPC system indicating whether the loan application has been approved, refused, or returned.

In the case where a loan is approved in principle, the designated officer will insert the alpha code "LLA" for "right of landing loan approved" in the remarks section of the IMM 5292B form before it is electronically forwarded to the appropriate immigration office for permanent residence. This will assist officers in identifying those clients who have requested a loan at the time of permanent residence and will allow officers to take the necessary steps to process these clients.

The following are other alpha codes that may be entered in the remarks section of the IMM 5292B form for in-Canada clients:

LFC - Right of Permanent Residence Fee paid in Canada

LFN - Right of Permanent Residence Fee not applicable (for R295(2) applications for permanent residence, for Convention refugees and members of the Humanitarian-protected persons abroad classes).

LFD - Right of Permanent Residence Fee payment required before person can become permanent resident.

12.7 In-Canada clients with family members abroad: Finalizing the RPRF loan agreement at the immigration office in Canada

When an in-Canada loan applicant is ready to be a permanent resident, the immigration office in Canada will contact the loan applicant for an interview and will provide loan counselling, explaining the applicant's obligations according to the terms and conditions described on the reverse side of the IMM 0500E.

Once the loan applicant has been counselled, both the applicant and the designated officer must sign the loan agreement.

When completing the Immigration Loan form, the designated officer must notify the loan applicant of the rate of interest applicable for the appropriate calendar year (see [Appendix D](#)). The rate of interest that will be applied to the loan will appear on the first statement of account mailed to the loan holder by CIC.

The designated officer will then enter the WIP entry code T1031 into the CPC system, indicating that the RPRF loan agreement has been signed.

12.8 Sponsors of family class members: Finalizing the RPRF loan agreement at the immigration office in Canada

Two steps are required to finalize the RPRF loan agreement at the immigration office in Canada as shown in the following table.

For step	See
1. At CPC Vegreville	Section 12.9
2. At CPC Mississauga	Section 12.10

12.9 Step one: At CPC Vegreville

In the case of an undertaking of assistance for sponsorship, the RPRF loan undergoes a two-step process. The first step requires CPC Vegreville to approve the loan in principle and to notify the sponsor that they will be contacted by the immigration office in Canada for an interview.

The immigration office in Canada will contact the sponsor for an interview and provide loan counselling, explaining the sponsor's obligations according to the terms described on the reverse side of the IMM 0500E.

Once the sponsor has been counselled, both the sponsor and a designated officer must sign the loan agreement. The sponsor must sign the loan agreement before submitting an undertaking of assistance to CPC Mississauga.

The designated officer will notify the sponsor about the rate of interest applicable for that calendar year and, should the clients arrive after December 31, that the rate will be different. The designated officer will create an NCB entry into the FOSS system to indicate that the RPRF loan agreement has been signed on behalf of family dependants living abroad.

OP 17 Loans

The designated officer will provide to the sponsor copies 2 and 3 of the signed IMM 0500E.

12.10 Step two: At CPC Mississauga

The second step requires the sponsor to submit a completed IMM 1344EA form, Application to Sponsor and Undertaking, with copy 3 (file copy) of the signed IMM 0500E to CPC Mississauga. The sponsor may keep copy 2 of the signed IMM 0500E for their own records.

12.11 Forwarding copies of the IMM 0500 form to NHQ Finance

The flow chart in [Appendix G](#) also indicates the established lines of communication with Revenue Accounting, Finance, NHQ, which will ensure that the loan account is established, the payment of the RPRF loan is initiated, and, as the case may be, that a refund is provided to the loan applicant who has been refused admission into Canada.

For the application for permanent residence received in Canada, upon receipt of a copy of the signed loan agreement, IMM 0500E, Finance, NHQ, will establish an RPRF loan account in the Immigration Programs Accounts Receivable (IPAR) system. Finance will initiate billing of the loan account after verifying that the loan applicant is a permanent resident.

Where the RPRF loan is requested for family members living abroad, loan accounts for the sponsor's family dependants will be established under the name of the sponsor once their dependants become permanent residents. Finance at NHQ will establish the RPRF loan account under the name of the sponsor and will initiate billing under the name of the sponsor upon receiving copy 1 of the signed IMM 0500E, from the appropriate immigration office.

12.12 RPRF refunds: Refused undertakings of assistance

In the event that an undertaking of assistance for sponsorship submitted by a sponsor has been refused or cancelled, the sponsor has the right to request an appeal of the decision from the Immigration Appeal Division (IAD).

The visa office is responsible for notifying the sponsor, in writing, when a family-class sponsorship has been refused or cancelled, and to inform the sponsor of their right to appeal the decision.

The visa office will be required to notify CPC Mississauga to either refund the RPRF or cancel the loan agreement for the sponsor who is not seeking to appeal the decision or for the sponsor whose appeal has been dismissed. A copy of the written request for an RPRF refund and, if applicable, the IAD decision to uphold the refusal, will be forwarded by the sponsor to CPC Mississauga.

The same procedures for refunding the RPRF will apply should the undertaking of assistance be withdrawn by the sponsor.

Procedures for processing RPRF refunds also apply to a foreign national who, upon arriving at a Canadian port of entry with a completed IMM 0500E, is reported inadmissible and is subject to a removal order and, if appealed, the decision to remove the person has been upheld by the Immigration Appeal Division.

12.13 Establishing a client file at NHQ Records

The CPCs, immigration offices in Canada or visa offices, the IOM or the loan applicant will forward all original copies of loan agreements established for each loan applicant to Revenue Accounting,

Finance, NHQ. After reviewing loan agreements received, Finance will forward this documentation to Records, NHQ. Records will establish a loan applicant file (i.e., "TL" file) which will bear the loan agreement number and the full name of the loan applicant. The loan applicant file will include the original copies of signed loan agreements (IMM 0500E and/or IMM 0501B) and any correspondence dealing with the loan request.

13 Procedure: Transportation loan

13.1 Determine if the client is eligible

R289 lists the categories of persons who are eligible to apply for a transportation loan.

Eligible applicants must be 18 years of age or older and include:

- Convention refugees and members of the Humanitarian-protected persons abroad classes who are seeking resettlement in Canada for themselves and/or their family dependants;
- Canadian citizens or permanent residents who are seeking financial assistance for their family dependants who are seeking permanent residence in Canada;
- persons who are seeking permanent residence;
- persons in possession of a temporary resident permit;
- foreign nationals (dependants of live-in caregivers and some family class cases). Also included here are some privately sponsored cases, under section 18 c) iii) of Quebec's immigration regulations. Please refer to OM OP01-15 (Guidelines for issuance of loans to privately sponsored refugees selected by Quebec under section 18 c)iii) of their Regulations. The Regulations can be found on the Intranet).
- For the purposes of the Immigration Loans Program, family dependants (see definition of "dependant" in R2) include the spouse or common-law partner and dependent children under 22 years of age. It can also include any other person who has been under the care, emotional and financial support of the principal applicant.

13.2 Eligible expenses

Types of expenses that may be covered include:

- the costs of travel by the most direct route at the most economical rate available;
- charges for any transportation tax (for example, toll or airport tax);
- approved service fees from the IOM;
- inland transportation costs which may include meals en route, overnight accommodation, ground transportation and incidental expenses; and
- transportation from the refugee's place of residence in a rural community or camp to a city from which the refugee may board a flight that would commence their trip to Canada. The cost of overnight accommodation and meal allowances may be included in these costs.

Where the visa office is able to coordinate the timing of the medical examinations with the designated Medical Practitioner to take place within 24 to 72 hours of the selection interview, the costs to the refugee would be kept to a minimum.

Where refugees are scattered in remote areas that make a selection trip impossible, the visa office should plan in advance when refugees would need to be transported to the visa office for the selection interview. Included in the planning process should be the block booking of a number of medical examinations with designated Medical Practitioners to coincide with the interview schedule

that is being established. Although this may not always be possible, there would be a cost savings to the refugee where only one trip is required.

Where the IOM has made the transportation arrangements to bring a refugee to a selection interview and for medical examination and if the latter fails to meet the selection criteria, the transportation and related costs would be absorbed by the IOM.

For more details about expenses related to transportation and other costs, see [Section 13.3](#).

13.3 Expenses for transportation and related costs for further medical examinations

The transportation and related costs (including overnight accommodation) can also be included in a transportation loan where it is determined that further testing is warranted and where the IOM has made the arrangements. Where a medical or other escort is considered necessary, associated costs may be included in the cost of the medical examination. However, the salary cost of such an escort should not be included in the admissibility loan. Wherever possible, families should be moved in groups in order to distribute the transportation and accommodation costs of the escort as widely as possible, thereby minimizing the debt load of the refugee.

In the case where in-Canada transportation is required and inland transportation costs have not been pre-arranged overseas, these costs may be approved at a Canadian port of entry.

Costs for accommodation and meals are provided as a contribution for government-assisted refugees in need of a stopover at a Canadian port of entry (see [OP 5](#)).

13.4 Expenses not eligible

Types of expenses that are not covered include:

- baggage in excess of the carrier's free baggage allowance; (Visa offices, the IOM and others making travel arrangements on behalf of refugees must counsel passengers on the pieces of luggage, their weight and dimensions allowed per person travelling to Canada.)
- costs for the shipping of personal and household effects;
- transportation of animals (domestic pets or livestock). If a refugee insists on bringing a pet, the refugee must bear the costs for the transport of the pet to the final destination in Canada, without any assistance from the Immigration Loans Program. These costs must be prepaid overseas. The refugee must also cover the costs of boarding the pet in a kennel while awaiting permanent living quarters, as pets are often not accepted in temporary accommodations. There may also be costs related to quarantine.

Further information on eligible and ineligible expenses may be found in [OP 5](#).

13.5 Transportation loan for special circumstances

There is no provision to issue a transportation loan for a person to relocate within Canada, once the person has arrived at their final destination in Canada.

However, in the case where a newcomer has been inadvertently destined to an inappropriate destination (e.g., a spouse and/or children in another city), a transportation loan may be extended to facilitate the relocation with other immediate family members. The designated officer must communicate the facts of the case to the Matching Centre at NHQ. The Matching Centre will review the circumstances that led to this situation. If it is judged that an administrative error occurred and

OP 17 Loans

that the applicant was not responsible, the costs of travel to relocate may be covered internally through administrative measures and will not be included on the applicant's original loan.

The designated officer will then forward copies 1 and 3 to the Matching Centre for processing. This provision is applicable only for cases of administrative errors or on humanitarian and compassionate grounds.

In cases where the newcomer does not wish to travel onward to final destination or chooses to travel to a different destination, a transportation loan may also be extended. However, under these circumstances, the applicant will have to pay the additional costs of travel. The designated officer should return the unused portion of the travel ticket to Revenue Accounting, NHQ. Revenue Accounting will endeavour to receive refund for the unused portion and, if successful, this amount will be credited to the loan applicant's account.

Special-needs refugees, such as family units of different size or composition (i.e., single parent or large refugee families), the elderly, women at risk and disabled refugees, who are selected under the Joint Assistance Program, are eligible for transportation and other costs on a non-recoverable basis (contribution), for themselves and/or their family dependants (Refer to Processing Applications to Sponsor Members of the Family Class, [IP 2](#), and Cost Recovery Processing Fees, [IR 5](#). See also RAP procedures in [IP 3, Part 2](#)).

13.6 Required documentation

The IMM 0500E form (Immigration Loan) may be used to approve a transportation loan.

The IMM 0501B form (Immigration Loan and Undertaking to Repay) is only used in Canada when the head of family is in Canada and the IMM 0500E is being issued abroad for dependent family members.

The IMM 0501B form is an undertaking to repay by the head of family in Canada for a loan approved for family members living abroad.

The transportation loan may be processed in conjunction with the RPRF and/or admissibility loan, in order to process, from abroad, the permanent residence of family dependants of foreign nationals who are Convention refugees or members of the Humanitarian-protected persons abroad classes.

For procedures to complete both forms, see [Section 16](#) and [Section 17](#).

13.7 Processing non-accompanying family members under the one-year window of opportunity program (see [OP 5](#))

In the case where a transportation loan is being processed and non-accompanying family members are expected to follow, the designated officer will comply with the following procedures:

- the names and dates of birth of the principal applicant and all accompanying family members who have been approved for a loan will be placed in the CAIPS notes;
- the names and dates of birth of all non-accompanying family members who have been pre-approved for a loan will be placed in the CAIPS notes;
- the transportation warrant number will also be included;
- these notations must be followed by the name of the officer who has pre-approved the future loan for the dependants who will follow.

In the case where a transportation loan is being processed for non-accompanying family members who are visa-ready, the designated officer will comply with the procedures as set out in Processing a transportation loan for refugees abroad, [Section 13.17](#). However, as this loan would have been pre-approved in principle, the designated officer need not make an assessment for approval.

13.8 Processing a transportation loan for refugees from abroad

The visa office should use the services of the IOM, whenever possible, for processing refugees from abroad. For details on processing persons from abroad, see [Section 16](#).

13.9 Processing a transportation loan in Canada

Travel arrangements may be made by visa offices abroad (see [Section 13.10](#)), or by immigration offices in Canada (see [Section 13.11](#)).

13.10 Travel arrangements made by visa offices abroad

Where a visa office has issued, or is about to issue, visas on behalf of dependent family members living abroad and transportation arrangements are being made by the visa office, the in-Canada loan applicant will complete an IMM 0501B on behalf of their family dependants.

The visa office will send a message to the immigration office in Canada which will contact the head of family in order to complete and sign the IMM 0501B form on behalf of family dependants. The message must indicate the estimated transportation costs in Canadian dollars, including the IOM service fee, if applicable.

Before approving the IMM 0501B, the designated officer must consider the total of existing loans and new loans requested. The designated officer will verify if the loan applicant has any other outstanding RPRF, transportation, admissibility or assistance loans by reviewing the Immigration Program Accounts Receivable (IPAR) system or by contacting Collection Services, NHQ, at 1-800-667-7301. CIC offices in the Ottawa/Gatineau area can call (613) 952-6905.

If the loan applicant has an existing transportation loan, the designated officer will include the number of the original transportation warrant in box 3 of the IMM 0501B form.

In order to enable Revenue Accounting to match and consolidate the existing loan with the new loan, the designated officer overseas will include the number of the original transportation warrant in box 5 of the IMM 0500E and the number of the IMM 0501B in box 3 of the IMM 0500E form.

The designated officer must show the estimated transportation costs and approximate amount of the new loan in boxes 24 and 25 of the IMM 0501B.

The immigration office in Canada will send a message providing the IMM 0501B form number to the visa office, and follow up by sending copy 4 of the form to the visa office, and copy 1 to Revenue Accounting, Finance, NHQ, Jean Edmonds North Tower, 300 Slater St., Ottawa, Ontario, K1A 1L1. The loan applicant is given copy 2 of the form.

When the visa office receives the IMM 0501B number from the immigration office in Canada, the visa office completes the IMM 0500E, which is the transportation warrant provided to the transportation company, airline or the travel agent that is required to obtain tickets.

The visa office enters the number of the IMM 0501B in box 3 of the IMM 0500E and has the family dependant sign the IMM 0500E.

OP 17 Loans

A designated officer overseas must ensure that the transportation warrant number on the IMM 0500E is correctly recorded in box 26 of the loan recipient's IMM 5292B form.

In the case where a loan applicant has been issued an IMM 1263B (Permit to Come into or Remain in Canada - The Immigration and Refugee Protection Act, Section 24), the designated officer will enter the transportation warrant number from the original copy of the IMM 0500E form in the space under the "Signature of Holder" of the IMM 1263B and in the appropriate box on all subsequent copies.

The transportation warrant number in the IMM 0500E should not be written in the loan recipient's passport or travel document.

The IOM, the travel company or agency submits copy 1 of the IMM 0500E to Revenue Accounting, Finance, NHQ, Ottawa, Ontario.

13.11 Travel arrangements made by immigration offices in Canada

Where the visa office has advised the immigration office in Canada that dependant family members living abroad are visa-ready and travel arrangements are not being made abroad, the in-Canada loan applicant will complete the Immigration Loan (IMM 0500E) on behalf of family dependants and make the travel arrangements within Canada.

The visa office may not be able to make the travel arrangements for the following reasons:

- in the case where a visa office cannot process the IMM 0500E as it is restricted or not permitted by the host country; and/or,
- in the case where the IOM does not have a local office in the country in which dependent family members reside or where family dependants are required to travel excessive distances in order to sign IMM 0500E thus making the processing of travel arrangements both difficult and time-consuming.

Upon receiving confirmation from the visa office that visas have been issued on behalf of dependent family members living abroad, the in-Canada loan applicant will complete an IMM 0500E on behalf of their family dependants living abroad.

Before approving a transportation loan, the designated officer must consider the total of existing loans and new loans requested.

If the applicant has an existing transportation loan, the designated officer will include the number of the existing transportation warrant in box 5 of the IMM 0500E.

In order to determine the amount of the loan required, the applicant must provide a letter or written quote from the IOM, the transportation company or the travel agency, indicating the anticipated total travel costs.

The IOM, in New York, will provide a quote based on the following information on family dependants included in the IMM 0500E: names and dates of birth of family dependants and the names, addresses and telephone numbers of contacts in the originating country.

The in-Canada loan applicant will submit the fare quotation in order for the immigration office in Canada to make a proper loan assessment.

The in-Canada loan applicant and the designated officer will complete part I and sign the IMM 0500E.

The immigration office in Canada will retain the file copy (copy 3) and give the IMM 0500E to the loan applicant who will present it to IOM, a transportation company or travel agency with a letter authorizing the travel agency to issue airline tickets at the prices quoted in the estimate provided.

Upon receiving the IMM 0500E, the IOM, the travel company or agency will complete parts II and III of the IMM 0500E and issue air tickets for family dependants living abroad.

In order to avoid having the applicant send the airline tickets to the family dependants living abroad, the IOM, the travel agency or airline in Canada may make arrangements to have airline tickets issued overseas, such as at the airport of embarkation.

The IOM, the travel agency or transportation company will submit copy 1 of the completed IMM 0500E to Revenue Accounting, Finance, NHQ, and copy 4 to the immigration office in Canada or visa office. The loan recipient will keep copy 2 of the completed IMM 0500E for their own records.

13.12 Choosing the airline or travel agency

The loan applicant should be encouraged to use Canadian air carriers, whenever possible, to arrange for transportation to Canada. However, as cost factors may influence loan approval, the loan applicant may choose to use other air carriers or travel agencies to make transportation arrangements, if it is more cost-effective to do so.

The loan applicant who qualifies for a transportation loan may also use the services of the IOM. The IOM also provides travel services in the case where a transportation loan is not required or has not been approved. The IOM offers a pre-payment service and provides lower travel rates to sponsors who wish to pay cash or who have been refused a loan.

13.13 IOM services

The IOM provides travel quotes in US dollars. Travel costs must be converted into Canadian dollars when completing the IMM 0500E or the IMM 0501B. When the IOM provides a travel quote, the appropriate exchange rate will be communicated.

The immigration office in Canada or Canadian sponsor must ensure that the IOM travel quotations include airport taxes, transportation costs and IOM service fees.

The IOM is required to pay the initial costs involved in transporting and providing accommodation to the refugees. Payment would be made by Finance when invoices have been received at NHQ and it has been verified that the refugees have arrived in Canada.

For this reason, wherever possible, it is preferable to utilize the services of the IOM over any other organizations when making travel arrangements.

13.14 Alternative travel arrangements

The following alternative travel arrangements are available for persons who are not eligible for transportation loans:

- Where the visa office initiates a request for the sponsor to pay travel expenses (see [Section 13.15](#)).
- Where a sponsor initiates a request to pay travel expenses (see [Section 13.16](#)).

13.15 Where the visa office initiates a request for the sponsor to pay travel expenses

Where, in the opinion of the designated officer, a refugee is unable to repay a requested loan, a designated officer will notify the Resettlement Division, NHQ, and request that the immigration office in Canada that approved the sponsorship contact the sponsor in order to determine whether they are willing to pay the travel expenses.

When initiating the request, the visa office will also provide the following information to the immigration office in Canada:

- name(s) of potential foreign nationals;
- their date(s) of birth;
- the overseas file number;
- the visa office location;
- the name, address and telephone number of a contact person in the originating country; and
- the name, address and telephone number of the contact person for the sponsor in Canada.

The immigration office in Canada will contact the sponsor to determine their willingness to pay for travel.

In the case where the sponsor is unable to pay, the immigration office in Canada will notify the visa office and provide copies of the message to the Resettlement Division, NHQ.

Where the sponsor is willing to pay, the immigration office in Canada will provide to the IOM, by fax, details of the case and provide a copy of the fax to the Resettlement Division, NHQ. The fax number of the IOM is (212) 867-5887. The telephone number is (212) 681-7000, extension 201.

The fax will be addressed to the attention of the Chief of Mission, International Organization for Migration.

The IOM will contact the sponsor and provide a confirmed travel price.

Once a price is quoted, the sponsor will mail a certified cheque or money order, in US funds, and make it payable to the International Organization for Migration, Canadian Program, 122 East 42nd St., Suite 1610, New York, New York 10168.

The IOM office with responsibilities in the corresponding world area will contact the visa office to arrange for the departure.

13.16 Where a sponsor initiates a request to pay travel expenses

Where a sponsor directly contacts an immigration office in Canada to indicate their willingness to pay for the travel arrangements of the family dependants living abroad, the immigration office in Canada will contact the visa office to determine whether the family dependants are visa-ready.

When initiating a request, the immigration office in Canada will provide to the visa office the details of the case as outlined above.

The same procedures, as outlined above, are to be followed when a sponsor agrees to pay for travel (i.e., the provision of a travel price quotation from the IOM, the mailing of a cheque by the sponsor

to the IOM and notification to the visa office by the IOM in order for travel arrangements to be made for departure).

Note: For more information on alternative arrangements and special-needs cases, please refer to Alternative loan arrangements, [Section 9](#), and RAP, in chapter [IP 3, Part 2](#).

13.17 Processing a transportation warrant in Canada or abroad

The Immigration Loan form (IMM 0500E), when presented to the IOM or the travel company or agent, will be used to obtain one-way tickets to Canada.

The designated officer completes Part I of the IMM 0500E form (see [Section 16](#)), including the RPRF loan calculations as applicable, and provides the applicant in Canada or abroad with a letter of instruction to the travel agent or company, to which copies 1, 2 and 4 of the form are attached.

The following are general instructions for completing Part I of the IMM 0500E:

- the designated officer will insert the name and address of the loan applicant and the names and dates of birth of all the family dependants living abroad;
- the designated officer will provisionally approve the admission to Canada of persons named in the travel warrant;
- the immigration office in Canada or visa office overseas will retain copy 3 of the transportation warrant in the local file;
- the IOM, New York, the transportation company or travel agent will follow the established procedures for disposing of copies 1, 2 and 4 of the transportation warrant and for the reimbursement of transportation costs.

The following are general instructions for completing Parts II and III of the IMM 0500E:

- the designated officer will include eligible expenses in the transportation warrant;
- the IOM, New York, the transportation company or travel agent must notify the office issuing the IMM 0500E of any increases in transportation costs, changes in accommodation, routing, departure or arrival dates, or of any cancellation (see [Making changes to the transportation warrant, Section 13.18](#));
- the IOM, the transportation company or travel agent will authorize one-way tickets to Canada;
- the loan applicant in Canada or abroad will present a letter of instruction, with copies of the IMM 0500E attached, to the IOM, New York, the transportation company or travel agent;
- the IOM, the transportation company or travel agent will issue the tickets on the basis of the letter and the attached copies of the IMM 0500E;
- the IOM may arrange to have the tickets issued overseas, such as at the airport of embarkation, so that the applicant does not have to send the actual tickets to the family dependants. Travel is normally scheduled six to eight weeks from the time the approved IMM 0500E is received at the IOM, New York;
- the immigration office in Canada, upon receipt of copy 4 from the IOM, New York, the transportation company or travel agent, transfers the new information (i.e., flight details, exact

OP 17 Loans

cost of travel and all signatures), from copy 4 onto copy 3 (already on file) and forwards copy 4 to Records at NHQ.

13.18 Making changes to the transportation warrant

The IOM, the transportation company or travel agent must notify the issuing visa office of any increase in the transportation costs over those originally approved, of any changes in accommodation, routing, departure or arrival dates. If the designated officer does not consider the increased costs acceptable, the authorizing officer will inform the IOM, the transportation company or travel agent and cancel the transportation warrant.

Where there is a change in the final destination or the method of travel after arrival in Canada, a new IMM 0500E may be issued as follows:

- the designated officer will take back the unused portion of the traveller's ticket(s) issued abroad, and issue the permanent resident or foreign national (on a temporary resident visa) a receipt for the unused portion;
- the designated officer will indicate on the receipt the name of the person to whom the transportation warrant was issued overseas, the original transportation warrant number, the airline ticket number(s) and the name of the airline carrier;
- the designated officer will certify that the unused portion of the airline ticket has been received and will stamp the receipt;
- the designated officer will make the new travel arrangement and issue a new IMM 0500E; and
- the designated officer will attach the unused ticket, the original and copy 3 of the IMM 0500E and forward these to the Chief, Revenue Accounting, Finance, NHQ. This will enable the Department to obtain a credit from the transportation company on behalf of the loan recipient. The complete ticket booklet, with the unused ticket voucher still attached, are required.

Where a permanent resident or foreign national (on a temporary resident visa) chooses not to proceed to the original final destination but wishes to remain at the first point of arrival, a new IMM 0500E form will not be issued.

When the permanent resident or foreign national (on a temporary resident visa) decides to remain in the area of the port of entry instead of proceeding to the original final destination, the designated officer should indicate, on the receipt forwarded to Revenue Accounting, the name, address, apartment number, city and telephone number of the friend/relative/contact person, if available.

The loan recipient should be counselled to retain their receipt and copy 2 of the IMM 0500E form issued abroad and/or in Canada. This information may be required as verification that a credit is due on their loan account. The loan recipient should be advised that any credit to the loan account could take up to six months to process.

It is important to note that if any changes are made to the transportation warrant after the applicant has received their copy, the original amounts must not be changed with the use of "white-out". The original amounts should be deleted and the new amounts added in the appropriate box(es).

14 Procedure: How loans are paid/collected

A loan recipient is expected to repay the loan in full by consecutive monthly instalments and in accordance with the repayment schedule set out in R291(2). Monthly instalments are calculated according to the amount borrowed.

Depending on the amount borrowed, loans must be repaid as follows:

- for loans equal to but not exceeding \$1,200, within 12 months of issuance of the loan;
- for loans over \$1,200 but not exceeding \$2,400, within 24 months of issuance;
- for loans over \$2,400 but not exceeding \$3,600, within 36 months of issuance;
- for loans over \$3,600 but not exceeding \$4,800, within 48 months of issuance;
- for loans over \$4,800, within 72 months of issuance of the loans.

Loan recipients are encouraged to pay off their loans as quickly as possible by making regular monthly payments and by paying more than the required monthly payment wherever possible.

Further information on the repayment of loans can be obtained by consulting Collection Services toll-free at 1-800-667-7301.

General information and procedures for payment and collection of loans are itemized in the following table.

For information about	See
When notice of payment is sent	Section 14.1
How loans may be repaid	Section 14.2
When payroll deductions may be used	Section 14.3
When loan payments may be deferred	Section 14.4
How delinquent loans are recovered	Section 14.6

14.1 Notice of payment

Revenue Accounting, Finance, NHQ, will establish a loan account in the name of the loan recipient using the warrant number from the IMM 0500E as the account number.

Depending on the type of loan requested, several months may lapse before a loan account is established. For example, before a loan account is established, Revenue Accounting requires the invoice from a transportation company for the transportation costs for those persons listed on the IMM 0500E and a confirmation that the persons listed have arrived in Canada.

Payment received at either an immigration office in Canada or at Revenue Accounting, NHQ, will be recorded as a credit to the account.

Loan recipients who wish to pay off their loans before the account is established in order to avoid interest charges or for other reasons, may do so by contacting Collection Services toll-free at 1-800-667-7301.

OP 17 Loans

Revenue Accounting, NHQ, will notify loan recipients intending to repay the loan according to the repayment schedule about the loan amount and the minimum monthly instalments required.

14.2 Methods of payment

A loan recipient is entitled to make loan payments using any of the following methods of payment:

- personal cheque;
- certified cheque;
- postal or money order;
- credit card; or
- any other means acceptable to CIC.

Cheques and other negotiable items must be made payable to the “Receiver General for Canada”.

Payments made in Canada are payable in Canadian funds. Payments made abroad to a visa office may be payable in local currency at the official exchange rate established by the visa office.

However, this practice should not be encouraged; clients should be directed to send their payments to NHQ, Revenue Accounting in Canada. Furthermore, payments of loans abroad must be made by certified instruments only (no personal cheque).

14.3 Payroll deductions

According to A147(2), the Minister may authorize the repayment of a loan by means of a payroll deduction scheme.

14.4 Deferral of loan payments

Under special circumstances, a collection officer may grant a deferral of loan payments, a variation of payments or an extension to the repayment period (see R292(2)).

For Convention refugees or members of the Humanitarian-protected persons abroad classes who have been selected in Canada or abroad, the deferral of loan payments may be up to two years. For any other person, the deferral of loan payments may be up to six months.

A deferral of loan payments is not automatically provided. A loan recipient who approaches an immigration office in Canada because he or she is unable to make full, regular loan payments must be immediately referred to Collection Services, Finance, NHQ, toll-free at 1-800-667-7301.

RAP service providers are encouraged to remind clients, especially special-needs refugees, that they may ask for a deferral of loan payment for a few months until they have had time to establish themselves, i.e., open a bank account, etc.

Note: The immediate referral of loan recipients who are requesting a deferral on their loan payments is particularly important for those wishing to sponsor family dependants from abroad. These persons will need to satisfy the designated officer reviewing the family-class sponsorship request that they have not defaulted on their loan payments in order to demonstrate their ability to support family dependants (please refer to OM IP 97-12, section

3.1). Where a deferral of loan payments is being requested, a designated officer must notify Collection Services, Finance, NHQ, at 1-800-667-7301 or at (613) 952-6905.

14.5 When and how a loan recipient must notify Collection Services about a change of address

A loan recipient must notify Collection Services, NHQ, of any change of address within ten (10) calendar days. The loan recipient may report a change of address as follows:

- in person or in writing to either:
 - the immigration authorities in the immigration office in Canada in the area in which they are residing;
 - Collection Services, Finance, NHQ, Jean Edmonds North Tower, 3rd Floor, 300 Slater St., Ottawa, Ontario, K1A 1L1; or,
- by telephone, by calling Collection Services toll-free at 1-800-667-7301.

A loan recipient must quote their loan account and social insurance number (SIN) in all correspondence.

An immigration office in Canada that receives any new information on a loan recipient must notify the Chief, Revenue Accounting, Finance, NHQ.

Note: For information on loan terms and conditions in relation to the repayment of loans, see [Section 14.4](#), Deferral of loan payments.

14.6 Recovery of delinquent loans

A145 authorizes the recovery of any delinquent payments on loans on behalf of the Government of Canada. For the purposes of the Immigration Loans Program, the Chief of Collection Services, Finance, NHQ, has been delegated responsibility for the recovery of delinquent loans.

The Chief of Collection Services may decide to take legal action against the debtor. If so, the Chief will refer the case to the Director, Resettlement Division, Refugees Branch, NHQ, in order to obtain concurrence.

14.7 Death of a loan recipient

In the event of the death of a loan recipient, the designated officer will immediately notify Collection Services at 1-800-667-7301 or (613) 952-6905.

14.8 Where a loan recipient has left Canada

If a designated officer becomes aware that a loan recipient, with an outstanding loan balance, has left Canada permanently, they must send a written report containing the debtor's transportation warrant number and new address to the Chief, Collection Services, Finance, NHQ.

15 Procedure: Counselling of loan applicants

The following guidelines are intended to assist the designated officer in providing counselling to loan applicants during the loan assessment and approval process.

15.1 Determining the client's preferred language

The loan agreement is a legally binding contract and may be used in court, when necessary, to collect outstanding loans. Legal Services recommend that, where possible, the designated officer counsel an applicant in their native language to ensure that the applicant is fully aware of, and understands the nature of the undertaking. A friend or relative fluent in the applicant's mother tongue and competent in one of Canada's official languages may act as an interpreter on behalf of the loan applicant.

15.2 Explaining a loan request refusal

A designated officer must clearly explain to the loan applicant the reason(s) why a loan request has been refused and must ensure that the applicant fully understands the basis upon which this decision was made.

15.3 Explaining the terms and conditions of a loan

Where a loan is approved, a designated officer must ensure that the loan applicant is fully aware of and understands the meaning and nature of the loan agreement (i.e., IMM 0500E, IMM 0501B or IMM 5355B) which they have signed. The loan applicant's legal responsibilities and obligations, with respect to the terms and conditions for the repayment of the loan and the calculation of interest charges, must be clearly explained.

In order to preclude any misunderstanding that the loan applicant may have, the designated officer will refer to the reverse side of the loan agreement, which describes the terms of the loan agreement and provides the information that the designated officer needs to counsel the loan applicant.

15.4 Explaining the role of collection agencies

A designated officer should also inform the loan recipient that CIC may refer accounts to private collection agencies if the account is in arrears either because of missed payments or insufficient payment, or if the loan holder cannot be located. Therefore, the loan holder must be advised to keep in contact with Collection Services, NHQ, using the toll-free number on the reverse side of the loan agreement.

The conditions under which a loan account may be referred to a private collection agency may vary. However, non-payment of the loan account or an unreported change of address by the loan recipient could be reasons for a referral to be made to a private collection agency (see [Section 14.4](#), Deferral of loan payments).

16 Procedure: Using the Immigration Loan form (IMM 0500E)

The IMM 0500E is a controlled form. Supplies of this form are to be handled responsibly, and are not to be transferred between offices without prior approval from the Director, Resettlement Division, Refugees Branch, NHQ.

Note: The existing stock of older forms are to be destroyed when newer forms are received. The serial number of all destroyed forms must be maintained in the register for controlled documents that is kept by immigration offices in Canada or visa offices.

The Financial Administration Manual states that an accountable forms custodian will maintain a control sheet to register all transportation warrants received and issued (see IMM 1334B).

In smaller offices where the anticipated use of the IMM 0500E is under 25 copies per year, forms may be obtained as needed by writing, telephoning or telexing the Director, Resettlement Division, Refugees Branch, NHQ. Telephone number: (613) 952-8133 and fax number: (613) 957-5836.

Immigration offices in Canada may replenish their supply of forms through the SAP Integrated Financial and Materiel Management System. Orders for available forms may be faxed directly to the Canada Communications Group (CCG) at (819) 779-2833. For those offices that do not have access to SAP, forms may be ordered using CIC 0004B or IMM 1389B for non-controlled forms and IMM 1409B for controlled forms. Once completed, form requests should be faxed to Materiel Management at (613) 954-9997 who will input these orders into the SAP system to ensure their cost recovery.

16.1 When to use the IMM 0500E

The IMM 0500E, which can be issued either in Canada or abroad, serves two primary functions:

- issued as a transportation warrant, it enables the applicant to obtain one-way travel tickets to Canada when presented to the IOM, a travel company or agency authorized to provide travel accommodations for refugees;
- issued as a financial undertaking, it holds the applicant signing a loan agreement legally responsible for the repayment of the RPRF, admissibility and/or the transportation loan.

In the case where the IMM 0500E form is issued on behalf of family dependants living abroad, it is not approved until permanent resident visas are issued and the family members are in a position to travel.

A loan may be approved only to the extent that transportation assistance is necessary. Where the final destination in Canada is known, inland transportation costs must be included in the original loan amount.

The IMM 0500E may be issued at a Canadian port of entry to arrange transportation to the place of final destination if these arrangements were not made abroad.

OP 17 Loans

16.2 Completing the IMM 0500

The IMM 0500E may be used for one, or any combination of the following loan options:

- RPRF loan (see [Section 12](#));
- admissibility (see [Section 10](#)); or
- transportation loan (see [Section 13](#)).

The following table identifies all utility boxes in Form IMM 0500E. The utility box numbers refer to those contained on the IMM 0500E dated 06-2002.

Utility Box No.	Title	Description
1	File number	The immigration office in Canada or visa office issuing the loan will insert the office file number. In the case where only a RPRF loan is being issued, the immigration office in Canada may not have a file number available as the IMM 5292B is electronically transferred from CPC Vegreville.
2	Issuing office	The name and responsibility centre code of the issuing office must be entered. To determine the appropriate code, see the Immigration Coding Handbook, IR 8.
3	IMM 0501B number.	In the case where an IMM 0501B is signed in Canada, the visa office will enter the IMM0501B number in this utility box allowing Finance, NHQ, to match the IMM0501B with the IMM 0500E. The loan account will then be established in the name of the person who signed the IMM 0501B and the name of the person who signed the IMM 0500E.
4a	Warrant issue date	Enter the date on which the IMM 0500E is assigned to a specific client using the short date format (DD/MM/YYYY).
4b	Warrant expiry date	This date should not go beyond the visa expiry date. Use the short date format (DD/MM/YYYY).

5	Original warrant number	<p>An immigration office in Canada or visa office will require more than one IMM 0500E to process a family of more than five persons. If a second IMM 0500E is required to process a family, the number of the original IMM 0500E must be entered in utility box 5 of the second IMM 0500E.</p> <p>An immigration office in Canada may be requested to approve a transportation loan for a person who already has one and who wishes to bring his or her family dependants living abroad to Canada. If the original transportation warrant number is known, it must be inserted in this utility box. This will allow Finance, NHQ, to add the second transportation warrant amount to the existing loan account and prevent the establishment of more than one loan account for the head of family.</p>
6	Name and address	Enter the loan recipient's surname, given name and address. This information is usually entered for the head of family.
7	Date of birth	Use the short date format (DD/MM/YYYY).
8	Citizenship	Print legibly or type the country of citizenship of the loan recipient who is identified in utility box 6.
9	Sex	Insert an "X" in the appropriate box.
10	Marital status	Insert an "X" in the appropriate box.
11	FOSS ID	<p>This box is not applicable for visa offices that do not have a FOSS ID for the loan recipient.</p> <p>The immigration office in Canada must enter the FOSS ID for the applicant that has been referred for permanent residence by CPC Vegreville. The applicant must obtain the RPRF loan before permanent residence can be completed.</p>
12	Immigration document	Insert an "X" to indicate if the document is an IMM 5292B or a Temporary Resident Permit.
13	IMM5292 or Temporary Resident Permit number	Enter the document number of the IMM 5292B or the Temporary Resident Permit in this box.
14	Special program	Enter the abbreviated immigration program code from the Immigration Coding Handbook, IR 8 (example, REF, AWR, etc.).
15	Immigration category	Enter the appropriate immigration category code from the Immigration Coding Handbook, IR 8 (example, CR1, CR5, etc.).

OP 17 Loans

16	Persons covered by the transportation warrant	<p>Include all persons who will benefit from the loan, including the person identified in utility box 6 above.</p> <p>Dependants to follow under the one-year window of opportunity must not be included at this time. They will have their own IMM 0500E when they are ready to travel.</p> <hr/> <p>Note: Note: This box does not need to be completed in the case where the person travelling to Canada is single and has no family dependants.</p> <hr/>
17	Personal information of sponsoring individual or organization	<p>Enter the name, address and telephone number of the closest relative in Canada, sponsor or private sponsorship group; also include the city of destination for government-assisted refugees.</p> <p>This information will assist Collection Services, Finance, NHQ, in locating the loan recipient if they change address and do not provide a forwarding address. If the person is a government-assisted refugee, the name of the immigration office in Canada of destination may assist Collection Services in locating any person who moves without providing a forwarding address. The immigration office in Canada file number, which may be available in the case of the sponsored refugee, may also assist Collection Services in locating the sponsor or another family member.</p>
18	Right of Permanent Residence Fee calculation	<p>Determine the number of persons in the family unit who are 19 years of age and older. Enter the total in this utility box and multiply by the rate established for the RPRF (i.e., the rate applicable for 2002 is \$975). Enter this amount in utility box 18 and then transfer this amount in utility box 34.</p> <hr/> <p>Note: Note: Utility boxes 19 through 36 (Sections II and III) may be completed by the transportation company or the IOM.</p> <hr/>
19	Name and address of transportation company or agent	<p>Type or print legibly the name and address of the transportation company or agent and include a telephone number in the event they need to be contacted for clarification.</p>

20	Flight numbers	Enter the flight numbers from the port of embarkation to the place of final destination in Canada for which reservations have been made.
21	Ticket numbers	If more than one ticket is issued and the tickets are in sequential order, enter the numbers of the first and last tickets in the sequence.
22	Port of departure	Type or print legibly the name of the port of departure for Canada.
23	Port of arrival	Type or print legibly the name of the port of arrival in Canada.
24	Date of departure	Enter the date of embarkation for Canada using the short date format (DD/MM/YYYY).
25	Expected date of arrival	Enter the expected date of arrival in Canada using the short date format (DD/MM/YYYY).
26	Cost of passage	<p>The following are the transportation costs from the port of embarkation to the port of arrival in Canada:</p> <p>Full fare = number of adults for whom the full fare is applicable multiplied by cost of full fare from the port of embarkation to the port of arrival in Canada.</p> <p>Partial fare = number of children between the ages of 2 and 11 for whom the partial fare is applicable multiplied by the cost of the partial fare from the port of embarkation to the port of arrival in Canada.</p> <p>Infant fare = number of children from newborn to 2 years of age for whom an infant fare is applicable multiplied by the cost of the infant fare from the port of embarkation to the port of arrival in Canada.</p> <p>Enter the total of these amounts in the "Total cost of passage". Transfer this amount to utility box 33(A).</p>
27	Other travel/ accommodation	Other transportation and accommodation costs associated with the selection and admissibility process, i.e., travel from refugee camp to selection interview and/or medical exams. Transfer this amount to utility box 33(A).

OP 17 Loans

28	Inland costs	<p>The following are the costs of transportation from the port of arrival in Canada to the place of final destination in Canada.</p> <p>Full fare = number of adults for whom the full fare is applicable multiplied by the cost of full fare from the port of arrival in Canada to the place of final destination in Canada.</p> <p>Partial fare = number of children between the ages of 2 and 11 for whom the partial fare is applicable multiplied by the cost of the partial fare from the port of arrival in Canada to the place of final destination in Canada.</p> <p>Infant fare = number of children from newborn to 2 years of age for whom an infant fare is applicable multiplied by the cost of the infant fare from the port of arrival in Canada to the place of final destination in Canada.</p> <p>Enter the total of these amounts in the "Total inland costs". Transfer this amount to utility box 33(B).</p>
29	Medical costs	<p>Medical costs are derived from the admissibility loan portion and are costs for medical examinations conducted to ensure the loan applicant meets Canada's admissibility requirements.</p> <p>Transfer this amount to utility box 33(C).</p>
30	Service fees	<p>Currently, a service fee is paid only to the IOM.</p> <p>This box is reserved for the IOM service fee. As of May 1, 1998, the applicable fee is USD \$100/CDN \$148 per person to a maximum of USD \$400/CDN \$592. The total service fee is calculated by multiplying the number of persons for whom the service fee is applicable by the service fee amount.</p> <p>Enter the amount in the "total". Transfer the amount to utility box 33(D).</p>
31	Other costs	<p>Other costs, such as amounts paid for travel documents or exit visas, when required, may be entered in this utility box. Transfer the amount to utility box 33(E).</p>
32	Detail of other costs	<p>Detail the reasons for the "other costs" in utility box 32.</p>

33	Amount of warrant	<p>The amount recorded in 33 A, B, C, D, and E should have been transferred from utility boxes 26, 27, 28, 29, 30 and 31, as appropriate.</p> <p>Total the sub-amounts and enter the total amount in utility box 33(F). This total represents the full amount of the transportation warrant.</p> <p>It is important to note, in the appropriate total box, whether a fee has been full or partially paid or does not apply.</p>
34	Right of Permanent Residence Fee	<p>This amount is transferred from utility box 18. Revenue Accounting, Finance, NHQ, will identify this amount as the RPRF portion of the loan.</p> <p>It is important to note whether the RPRF has been fully or partially paid or does not apply.</p>
35	Warrant amount	<p>This amount is transferred from utility box 33(F). Revenue Accounting, Finance, NHQ, will pay this amount to the transportation company or agent.</p>
36	Total loan	<p>This is the total of utility boxes 34 and 35 and represents the total amount of the loan.</p> <p>It is essential that this amount be completed accurately so that the loan recipient is properly informed of the total amount of the loan agreement.</p> <hr/> <p>Note: Note: All loans are interest-bearing. This includes loans approved for Convention refugees and members of the Humanitarian-protected persons abroad classes selected abroad. Although Convention refugees and Humanitarian-protected persons abroad classes selected abroad may be subject to a “free-of-interest grace period”, it is essential that the designated officer, providing counsel to a loan applicant, inform the applicant that the rate of interest is the rate that will be in effect when the client arrives in Canada. This rate will be applied against any unpaid balance at the end of the grace period. The interest rate will appear on the first monthly statement of account that will be mailed by the Department. Interest on immigration loan accounts is calculated daily.</p> <hr/>

OP 17 Loans

16.3 Cancelling an IMM 0500

When cancelling an Immigration Loan (IMM 0500E), the designated officer will mark “cancelled” across the face of the IMM 0500E. The form must be signed, dated and sent to the Chief, Revenue Accounting, Finance, NHQ.

If copies of the IMM 0500E have been distributed, the designated officer will, on recovery of copy 1 (copies 2 and 4 cannot be used as valid instruments), print or stamp “cancelled” across the face. The designated officer will also indicate the reason for cancellation, and send the form to the Chief, Revenue Accounting, Finance, NHQ.

Where the IMM 0500E is cancelled or a new transportation warrant is issued in replacement, the designated officer will cancel or amend the transportation warrant serial numbers entered on the loan applicant’s or family dependant’s foreign national visa and Confirmation of Permanent Residence form (IMM 5292B) or Temporary Resident Permit (IMM 1263B).

17 Procedure: Using the Immigration Loans and Undertaking to Repay form (IMM 0501B)

17.1 When to use the IMM 0501B

The IMM 0501B is used when the head of family, who is in Canada, agrees to repay a RPRF (see [Section 12](#)), an admissibility loan (see [Section 10](#)), or a transportation loan (see [Section 13](#)), for a dependant or spouse overseas and the IMM 0500E is being issued overseas.

17.2 Completing the IMM 0501B

Refer to [Section 13.9](#), Processing a transportation loan in Canada.

17.3 Cancelling the IMM 0501B

If the sponsor no longer wants to be responsible for the transportation loan of his dependants overseas or if these dependants are no longer travelling to Canada, the IMM 0501B should be cancelled. When cancelling an IMM 0501B, the designated officer will shred all copies of the completed form which would usually contain personal/confidential information.

18 Procedure: Using the Immigration Loans (Assistance Loan) form (IMM 5355B)

18.1 When to use the IMM 5355B

The IMM 5355B is used for an assistance loan (see [Section 11](#)) to cover the costs associated with the initial resettlement of persons granted admission to Canada.

18.2 Completing the IMM 5355B

The assistance loans (see Section 11), may be authorized for the basic needs of life, basic household needs and labour market access needs.

- All boxes on the form must be completed as directed.
- It is important to itemize the expenses under Remarks.
- If the loan applicant does not have any outstanding loans, the IMM 5292B or other authorization form should be attached to the IMM 5355B.
- The IMM 5292B number must be noted on the IMM 5355B, below the serial number that appears in the top right-hand corner. The IMM 5292B number is required in order to retrieve and to update the file for the assistance loan applicant in the Immigration Program Accounts Receivable (IPAR) system.
- The designated officer must indicate whether the loan applicant has a transportation loan in the box entitled "T.L. Warrant No." which appears on the left-hand side of the IMM 5355B. In the case where a transportation loan has not been issued for the loan applicant, the designated officer must record N/A (not applicable) in the box.

18.3 Cancelling the IMM 5355B

If the assistance loan is being cancelled because it is being converted to a RAP contribution, please refer to Converting assistance loans to RAP contributions, [Section 11.8](#).

When cancelling an IMM 5355B, the designated officer will mark cancelled across the face of the form. The form must be signed, dated and sent to the Chief, Revenue Accounting, Finance, NHQ.

If copies of the IMM 5355B have been distributed, the designated officer will, on recovery of copy 1 (copies 2 and 4 cannot be used as valid instruments), print or stamp "cancelled" across the face. The designated officer will also indicate the reason for cancellation and send the IMM 5355B to the Chief, Revenue Accounting, Finance, NHQ.

19 Procedure: Calculating the interest on loans

19.1 How the interest rate is established

The interest rate is established each calendar year in January by the Department of Finance and is effective the first day of January. The established interest rate is based on the rate the Government of Canada charges for loans made to Crown corporations. [Appendix D](#) lists the interest rates established in the last ten calendar years.

Each year, on the first working day following the first of January, the Director, Resettlement Division, Refugees Branch, will inform the Director General, Finance and Administration, the regional Directors General and the regional headquarter Directors and will provide copies of the new interest rate established for the calendar year to Regional Directors.

The various regions, including the international region, are responsible for ensuring that their respective field operations are aware of the interest rate established for the new calendar year immediately upon receiving notification from NHQ.

19.2 Application of interest for Convention refugees and members of the Humanitarian-protected persons abroad classes selected abroad

Convention refugees selected abroad and members of the Humanitarian-protected persons abroad classes are subject to a free-of-interest grace period from interest which may vary between one to three years, depending on the size of the loan (see R291(2)(a)(b)(c)(d)(e)).

The rate of interest in effect at the time the loan was established is the rate that will be applied on the balance of the loan at the end of the free-of-interest grace period and will be computed as follows:

- the first day of the thirteenth month after the person's arrival in Canada or the day on which the loan is made, in the case of a loan to a person in Canada, where the amount of the loan is not more than \$1,200;
- the first day of the twenty-fifth month after the person's arrival in Canada or the day on which the loan is made, in the case of a loan to a person in Canada, where the amount of the loan is more than \$1,200 but not more than \$2,400; or,
- the first day of the thirty-seventh month after the person's arrival in Canada or the day on which the loan is made, in the case of a loan to a person in Canada, where the amount of the loan is more than \$2,400.

19.3 Application of interest for all other eligible persons

Immigration loans issued to all other eligible persons under R289 bear interest at a rate which is charged according to R293, depending on the type of loan approved.

The rate in effect at the time the loan was established is the rate that will be applied, and is computed as follows:

- in the case of a transportation loan or an admissibility loan, 30 days after the day on which the person for whose benefit the loan is made arrives in Canada;

OP 17 Loans

- in the case of an assistance loan, 30 days after the day on which the proceeds of the loan are paid to or for the benefit of the permanent resident or foreign national; or
- in the case of a RPRF loan, once the earlier of either condition above is met.

19.4 Interest rates on subsequent loans

If a loan recipient obtains a subsequent loan and the previous loan has not yet been repaid, the rate of interest on the subsequent loan amount will be the same as the original loan. If the previous loan has been repaid and a new loan is granted, the interest rate in effect on the date the new loan is established will apply (see R293(4)).

In the case where the “grace period” is still in effect on a loan, the addition of a subsequent loan may result in the extension of the grace period. However, the grace period will not exceed three years from the date of the person’s arrival in Canada.

In the case where a loan is paid in full, the loan applicant should be considered as having established themselves in Canada and, therefore, should be charged the rate of interest applicable to all other permanent resident or foreign national for any subsequent loans. If the loan applicant has been in Canada for a number of years, careful consideration should be given to whether the loan applicant needs a subsequent loan and if they can obtain a loan from a traditional lending institution.

To determine if any outstanding loans exist, the designated officer should contact Collections Services, Finance, NHQ, at 1-800-667-7301 or (613) 952-6905.

20 Procedure: RAP contribution program

RAP is the Resettlement Assistance Program (see [IP 3, Part 2](#)).

20.1 Determining if the client is eligible

Government-sponsored refugees selected abroad who, in the opinion of a designated officer, are special-needs refugees who would benefit from the additional settlement support available under the terms of a joint assistance agreement (CR/DC/RS/RA 5) are eligible.

However, not every special-needs refugee will be allowed to access the contribution fund. Where a designated officer is of the opinion that a special-needs refugee could reasonably be expected to repay an immigration loan, then an immigration loan for the medical examination and transportation costs should be processed in the usual manner.

20.2 Accessing the RAP contribution program

Where a special-needs refugee would benefit, in the opinion of a designated officer, from a joint-assistance sponsorship, consideration may be given to accessing the RAP contribution program for the payment of medical examinations and transportation costs.

To access contribution funds, the designated officer will make a recommendation to the Matching Centre, Resettlement Division (SRE), Refugees Branch, NHQ. The recommendation will include the following information:

- the name and date of birth of the special-needs refugee and each dependent family member;
- an estimate, in Canadian dollars, of the total cost of the medical examinations and transportation expenses for the family; the estimate should also include all related expenses such as IOM service fees, airport taxes and exit visas, where applicable; and
- a short narrative giving reasons why the refugee may not be able to repay an immigration loan.

The recommendation should be submitted to the Matching Centre, Resettlement Division, at the same time that a designated officer makes a recommendation for a joint assistance sponsor to be found.

20.3 Resettlement Division considerations

As of 1999, the contribution fund provided for a total of \$400,000 annually. The Resettlement Division estimates that this fund can reasonably accommodate between 40 and 50 refugee families per year. As available contribution dollars are limited, in reviewing each request, several options may be pursued by the Resettlement Division (SRE) before access to the fund is authorized. These include:

- SRE seeks a sponsorship organization who is willing to sign a letter of understanding (see [Appendix F](#)), on behalf of the loan recipient, and who would commit to making monthly payments on the loan account for the stated period indicated in the agreement. This assistance, which may range from a period of one to three years, may sufficiently allow the special needs refugee to establish and to assume responsibility for the repayment of the remaining balance on the loan.

OP 17 Loans

- SRE requests that a sponsor make a lump-sum deposit in advance towards the total estimated travel and medical examination costs. The lump-sum payment may sufficiently reduce the size of the monthly payments to a level that the loan recipient would be able to handle.
- SRE approves access to the contribution dollars to cover the costs that have been identified.
- In exceptional cases where neither, the first nor the second option above could be negotiated successfully, the Resettlement Division may refuse access to the fund and instead recommend that an immigration loan be approved. The Resettlement Division would provide reasons for this recommendation to the visa office.
- In very exceptional cases where neither, the first nor the second option above could be negotiated successfully, the Resettlement Division may refuse access to the fund as well as recommend that an immigration loan not be approved.

20.4 Visa office procedures

For the first, second and fourth options above, where alternative arrangements have been made, the designated officer will follow regular procedures for issuing an immigration loan, as outlined in [Section 9](#), making alternative loan arrangements.

For the third option above, where access to the contribution fund has been authorized, the designated officer may use the Immigration Loan form, IMM 0500E, to record all expenses and to process the contribution fund; however, the following amendments will need to be made in order to remove all references to the Immigration Loans Program:

- make a checkmark in the appropriate box in the heading Contribution;
- cross out the word “Loan” in utility box 6, leaving only the word “recipient” in the title;
- cross out the word “Loan” in utility box 36, and replace with the word “Contribution”;
- cross out the whole statement below utility box 34 and just above the signature blocks, which begins with “I understand, and agree to abide by, the terms of the loan...” and ends with “...mailed to me by the Department of Citizenship and Immigration Canada.”

Once these amendments have been made, the IMM 0500E may be used by visa offices and the IOM in the usual manner to make transportation arrangements for special-needs refugees accepted for destination to Canada.

20.5 Procedures at Financial Services, NHQ

Where an IMM 0500E has been amended to accommodate the processing of the admissibility and transportation costs on the basis of a contribution, Revenue Accounting, NHQ, will appropriately code the warrant to allow these expenses to be paid through the contribution allocation that has been established and will not establish a loan account for these cases.

Once the contribution allocation has been successfully processed, Revenue Accounting will notify the Director, Resettlement Division, Refugees Branch, NHQ.

Appendix A List of call centres across Canada

For loan applicants who require additional information about the Immigration Loans Program or services offered by Citizenship and Immigration Canada, please refer them to the nearest Call Centre listed below:

In the local area of:

Montreal (514) 496-1010

Toronto (416) 973-4444

Vancouver (604) 666-2171

Anywhere else in Canada, call toll-free at 1-888-242-2100

All services are offered in English and in French. An automated voice response system will help loan applicants get answers to a wide range of immigration questions any time of day or night. By using the touch-tone features of their telephone, loan applicants can obtain information on other immigration or citizenship programs and services, general information on application kits; they can order application kits and can also get assistance with fee calculations. Call centre agents can also assist callers from 8:00 a.m. to 4:00 p.m., Monday to Friday, however, they cannot provide specific information on client files.

OP 17 Loans

Appendix B Loan assessment sheet

Officer : _____ Date : _____

Family Name : _____ First Names : _____

Date of Birth : _____ Client ID : _____

Number of Family Members : _____

Low-Income Cut-off Requirements : (effective until February 1, 2003)

Size of Family Unit	
1 person	\$18,841
2 persons	\$23,551
3 persons	\$29,290
4 persons	\$35,455
5 persons	\$39,633
6 persons	\$43,811
7 persons	\$47,988
For each additional person	\$4,176

Attention: Residents of Quebec

The *ministère des Relations avec les citoyens et de l'Immigration* (MRCI) of the Quebec government has income standards that differ from those of Citizenship and Immigration Canada.

Size of Family Unit	
1 person	\$17,928
2 persons	\$24,203
3 persons	\$29,880
4 persons	\$34,364
5 persons	\$38,247
For each additional person	\$3,883

Chart A

(Actual/Potential Family Income)

Chart B

(Family Obligations and Monthly Expenses)

_____ Workers Actual Income _____ Monthly Expenses (from application)

_____ Workers Chart A _____ Monthly Obligations (from application)

_____ Workers Chart B

Total Income _____ **Total Liabilities** _____

Variance between income (actual or potential) and obligations (A minus B) _____

Note: When assessing potential or actual income against low-income cut-off, a \$3,000 to \$4,000 shortfall may be acceptable between the income potential and income needs to allow for potential to earn more than minimum wage or to find a part-time second job. Any shortfall greater than this amount should be viewed with caution.

Other Considerations :

Previous Loans (Review IPAR) :

Loan Balance _____ Monthly Payment _____

Current or Delinquent _____

Age versus Repayment Schedule :

More than five years as worker with potential _____

Less than five years as worker with potential _____

Medical condition :

Good _____

Work limited by _____

Work not permitted because of _____

Future Loan Potential :

Transportation (amount using \$900 per person average) _____

Loan Assessment :

Approve _____ **Refuse** _____

Note: Show reasons on Immigration Loans Application

Write summary of conversation with client (use back of sheet, if required)

Appendix C Common questions to ask client

- 1) Do you have competency in either official language?
- 2) What is your family size?
- 3) Do you have any relatives in Canada and/or abroad?
- 4) Where are you living now?
- 5) What are your transportation costs?
- 6) What are the total costs associated with your cost recovery fee?
- 7) Do you have a bank account and what are your assets?
- 8) Do you have any outstanding debts or loans?
- 9) Have you been previously rejected for a loan?
- 10) What is your loan pay-back plan?
- 11) Are there any medical or health factors to consider?
- 12) What is your educational background?
- 13) What is your work history and career plan?
- 14) What is your spouse's work history and career plan?
- 15) What is your intended occupation?
- 16) Do you have other trades or skills?
- 17) What are your future plans?
- 18) What have you been doing?
- 19) Have you taken any initiative to find work (whether paid or volunteer)?

Appendix D Immigration loans - Annual Interest Rates

Table 1 :

Annual Interest Rates 1992-2001	
Calendar Year	Annual Interest Rate
1992	7.51
1993	7.41
1994	5.32
1995	9.06
1996	6.41
1997	4.85
1998	5.37
1999	4.54
2000	6.17
2001	5.45
2002	4.24

Appendix E Instructions for IOM, transportation company or travel agency

File: _____

Date: _____

Representative

Transportation Company or Travel Agent

RE: (Name of head of family) accompanied by

(Name of spouse)

(Name[s] of dependent children)

This is to advise you that the application for admission to Canada for permanent residence of the above-named persons has been provisionally approved, and the Canadian government has authorized the advance of a transportation loan by way of the attached serialized transportation warrant. The transportation warrant is approved on the basis of your estimate of CDN \$

_____.

When booking passage, please note the following:

A. The Transportation Warrant (IMM 0500E)

The transportation warrant is to be used to purchase or pay for the ticket. Should the passage be booked by a travel agent, the agent should use the transportation warrant to purchase the ticket from the transportation company. Once the passage is booked, the travel agent should send Copy 1 of the transportation warrant with a sales report to the principal carrier.

The transportation company (principal carrier) will then bill the Canadian government directly by submitting Copy 1 (original) of the transportation warrant, along with a duplicate invoice, to the Chief, Revenue Accounting - Finance, Citizenship and Immigration Canada, 300 Slater Street, Jean Edmonds - North Tower, Ottawa, Ontario, K1A 1L1, **no later than 30 days after the arrival of the above-named persons in Canada**. Copy 4 of the transportation warrant is to be returned to this office immediately once the passage is booked. Copy 3 (file copy) of the transportation warrant has been retained at this office. Copy 2 is to be provided to the person who has been named the loan recipient in section I of the transportation warrant (i.e., the head of family or sponsor undertaking the payment of the loan). **Please ensure that sections II and III of the transportation warrant are fully completed and signed before the warrant is separated and dispatched**. On receipt of Copy 1 of the transportation warrant and the duplicate invoice in Ottawa, payment is made as soon as the arrival of the above-named persons has been confirmed.

B. Amount

The immigration loan has been authorized to pay for the cost of travel by air at normal tourist-class rates, and inland travel by air, rail or bus by the most convenient route and at the lowest rate available, from the point of origin to the final destination in Canada. The loan may include charges for port taxes, airport taxes and stamp taxes. Approval of the transportation warrant will be based on the fare quoted by the travel agent or transportation company, as indicated on the transportation warrant and marked in the first paragraph above. **In the event that transportation costs exceed the amount quoted by more than 3%, the travel agent or transportation company must notify**

this office immediately and give reason(s) for the price increase before a loan in the higher amount can be approved.

C. Costs not Covered by the Transportation Warrant

Excess baggage charges, charges for baggage sent by sea on behalf of persons who use air transport for their passage, or charges for the transport of pets or animals may not be included.

D. Direct Travel

Persons admitted to Canada for permanent residence, whose transportation is provided in whole or in part through a Canadian government transportation loan, ***must travel directly to Canada*** by a Canadian carrier or by a carrier of the country from which the journey to Canada originates and which is licensed to operate in Canada. Persons whose journey originates in a country not served by a Canadian carrier and whose national carriers do not operate in Canada must interline with a Canadian carrier at the nearest connecting point provided that there is no resulting increase in fare. Where there is an increase in fare, the person may travel directly by any carrier or indirectly by an authorized carrier. The most economical fare will be given priority.

“Direct” means travel to Canada on a carrier which embarks Canadian-bound foreign nationals outside the continental United States and discharges them at a Canadian port of entry (e.g., travel across the Atlantic directly to a Canadian port of entry).

Yours truly,

(Name of CIC Officer)

(Area code and telephone number)

Appendix F Letter of understanding

The Manager, Canada Immigration Centre _____ (City), _____ (Province), on behalf of the Minister of Citizenship and Immigration Canada, agrees to approve an immigration loan which is not to exceed the maximum total amount of CDN \$ _____ in the name(s) of the following loan recipient(s):

- A. _____
Family and Given Name of Principal Loan Recipient
- B. _____
Full Name of Family Dependant(s)
- C. _____
Full Name of Family Dependant(s)
- D. _____
Full Name of Family Dependant(s)
- E. _____
Full Name of Family Dependant(s)

The loan agreement is being established for the above-named loan recipient(s) only with the proviso that the following sponsoring individual or group, _____ (Full name of sponsoring individual(s) or group), agree(s) to undertake the payment of the loan for the loan recipient(s) according to the following terms and conditions:

- 1) That the _____ (name of sponsoring organization) agrees to make _____ (number of) payments of \$ CDN _____ (amount) during a period of _____ (no. of) months, in the name of the loan recipient.
- 2) The first payment on the loan account is due one month after the beneficiary for whom the loan is approved arrives in Canada.
- 3) The Refugees Branch of Citizenship and Immigration Canada will coordinate with Revenue Accounting, Finance at National Headquarters for the temporary billing arrangements for the account of _____ (full name of principal applicant) with the (sponsoring organization).
- 4) Billing statements for the duration of this agreement will be addressed to the attention of: _____ (insert name of representative of sponsoring organization and this person's address in full).
- 5) All cheques submitted by the _____ (name of sponsoring organization) are to have the statement "Payment on the loan of _____" (name of the principal applicant) on the reverse side of the cheque, as well as the account number _____ (serial number of the IMM 0500E) that has been established in their name.

6) The loan will be subject to interest charges at the rate of _____ (annual rate of interest) per annum at the end of the "grace period" from interest. The "grace period" from interest will be for _____ (see R293(3) for the number of months) following the day on which _____ (full name of person who is beneficiary of the loan) comes into Canada. Interest will be payable only on the unpaid portion of the loan at the end of the "grace period" from interest.

7) The "grace period" from interest does not apply on any missed payment. Also, where a cheque, submitted as payment on the account, is not honoured by the financial institution against which it is drawn, a service fee will be applied to the loan account to cover the costs of processing a dishonoured payment and interest will be calculated on the amount of this payment.

The _____ (name of the sponsoring organization) agrees to carry out the terms and conditions outlined in this Letter of Understanding, on behalf of _____ (full name of principal applicant) and will inform Collection Services, Finance at National Headquarters of any change of address of the principal loan recipient, throughout the duration of this agreement. Collection Services may be reached at the following toll-free number: 1-800-667-7301.

The loan account of the loan recipient(s) is subject to a "grace period" from interest for a period of _____ (insert number) months (Note: The grace period only applies to Convention refugees or members of the humanitarian designated classes who have been selected abroad). The determined grace period from interest will begin on the date the loan amount is advanced. For the purposes of the Immigration Loans Program, this will be the date on which the above-named loan recipient(s) arrive(s) in Canada. Interest will only be payable on the loan balance which is outstanding at the end of the grace period from interest.

The third party, who agree(s) to carry out the terms and conditions outlined in this Letter of Understanding, on behalf of the above-named loan recipient(s), will inform Collection Services, Finance at National Headquarters, of any change of address of the principal loan recipient, throughout the duration of the loan agreement. Collection Services may be reached at the following toll-free number: 1-800-667-7301.

Notwithstanding the above, nothing in this agreement prohibits the principal loan recipient and/or their family dependants, to make loan payments towards their loan account nor does the agreement in any way diminish their responsibility as the principal loan holder.

For the Private Sponsor Group

For the Minister of Citizenship and Immigration

(Name/Title)
(Legal signing authority is required)

Date

(Area code and telephone number)

Manager CIC
(City and Province)

Date

(Area code and telephone number)

Appendix G Immigration loans program - flow charts

To be inserted as a graphic in a pdf.

Appendix H Transfer of an immigration loan to contributions/Transfert d'un prêt pour immigration aux contributions

Name of foreign national / Nom de l'étranger :	
Loan number / Numéro du prêt :	SIN / NAS :
Amount of loan / Montant du prêt :	

Reason for transfer / Motif du transfert :

Local office / Bureau local

	Recommended by / Recommandé par	Date
--	--	-------------

Regional Settlement Office / Bureau régional d'intégration d'établissement

Name of authorizing officer (print) Nom du fondé de pouvoir (en lettre moulées)	Signature of authorizing officer pursuant to section 34 of the <i>Financial Administration Act.</i> Signature du fondé de pouvoir en vertu de l'article 34 de la <i>Loi sur la gestion des finances publiques.</i>

Regional Financial Services / Services financiers régionaux

Approved by / Approuvé par :		Date
Print / Lettres moulées	Signature	

OP 17 Loans

Contribution Coding / Codage de la contribution

G/L	Order no / # ordre	Cost Center / Centre de coûts	Commitment No. / # d'engagement

NHQ use only / Réserve à l'AC

Changes done by / Changements effectués par :
Date of changes / Date des changements :