

Episode 3: Introducing the Repayment Assistance Plan (RAP)

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Introduction:

- This podcast introduces the Repayment Assistance Plan (RAP) and the Repayment Assistance Plan for Borrowers with a Permanent Disability (RAP-PD)

Topic 1: Introducing the RAP and RAP-PD

- There is RAP and there is RAP-PD, which is for borrowers with a permanent disability.
- RAP and RAP-PD are meant to reduce monthly payments so students can better manage their student debt.
- The monthly loan payments will be reduced, or students might not have to pay at all, depending on their financial situation.
- Enrollment in RAP or RAP-PD is not automatic – students need to re-apply every 6 months.
- You can apply for RAP or RAP-PD at any time

Topic 2: Qualifications for RAP & RAP-PD

- To qualify for RAP (or RAP-PD):
 - o Must reside in Canada (or are on an international internship or are a reservist deployed abroad)
 - o at least 6 months have passed since student's graduation or left school
 - o all of the student's loan payments are up to date
- To qualify for the zero-payment plan (which means the student does not have to pay any monthly installments), students can check out the family income threshold for zero-dollar payment, on the www.canada.ca website or the FACT Sheets

Topic 3: Navigation of the RAP Application Process

- There are 2 stages for the RAP process:
 - Stage 1:
 - Government of Canada and the student's provincial government will pay interest owing that your revised payment does not cover
 - Stage 1 may last for up to ten, 6-month periods, or 60 months, or 10 years after the student finishes school, whichever comes first.
 - Stage 2:

- Complete Stage 1, or if a student has been in repayment for more than 10 years after leaving school through graduation or due to a full stop out.
 - In Stage 2, if the student continues to experience difficulty meeting their repayment or obligations, the government will now begin to cover both the principal and interest that exceed the student's reduced monthly payments.
 - During the time a student remains eligible for RAP, the balance of the student loan is gradually paid off, and repayment obligations will not exceed 15 years (or 10 years for people with a permanent disability) after leaving school.
- Once a student has been approved for and received Stage 2 benefit (or RAP-PD) benefit, the student cannot receive a different student loan or grant until the existing loan has been paid in full. The student can still get interest-free status for their existing student loan if they return to school.
 - To apply for RAP, a student needs to complete an online application through their National Student Loan Service Centre (NSLSC) online services account. The student must register for an online account first if they do not already have one.
 - The student can download & complete an application and mail/fax it to the NSLSC posting address.
 - If a student is applying for RAP and would like their disability related expenses/ exceptional expenses to be considered, they can complete & submit a RAP-PD Expense Form with their application.
 - If a student has Canada Student Loan and student loans from provinces that have agreements with the federal government, the student only needs to complete 1 application to apply for both the Canada RAP program and applicable provincial RAP programs. Their application will also cover interest-relief for some provincial loans as well.
 - If a student has a provincial or a territorial student loan from a province or territory that was not listed, in some instances, the student may need to contact their provincial or territorial student financial assistance office, to find out about their payment assistance program.
 - Students can apply for RAP online through their NSLSC On-line Services account. They can also download the RAP application, fill it out and mail it to the National Student Loan Service Centre, or fax it, at:
 - National Student Loan Service Centre
PO Box 4030 Mississauga Ontario
L5A 4M4
 - RAP application is a 3-page PDF that asks for:

- Basic contact information
- Income received during the month of signing the form
- Total gross family income
- Total outstanding balance for all Loans combined

Mentioned: Setting up a NSLSC account

- When setting up NSLSC account, the students will receive a MFSSA number, which is 10 digits, and will be given to the students when they receive their letter from the NSLSC after they graduate or come to a full stop.
- From there, go online to the NSLSC website and start the process of creating an account. The students will be given step-by-step instructions on the site itself throughout the whole process. For any questions, email the NSLSC to get help.

Episode 3 – Online Resources

Key terms	Contact Information & Links
Repayment Assistance Program (RAP)	<u>Website:</u> https://www.canada.ca/en/services/benefits/education/student-aid/grants-loans/repay/assistance/rap.html
Repayment Assistance Plan for Borrowers with a Permanent Disability (RAP-PD)	<u>Website:</u> https://www.canada.ca/en/services/benefits/education/student-aid/grants-loans/repay/assistance/rap.html
(RAP's Zero Payment Plan – Family Income Threshold)	<u>Website:</u> https://cec.info.yorku.ca/bcfan/resources/ (OSAP Fact Sheet 4)
Disability-Related Expenses Form (RAP-RD Expense Form in podcast)	<u>Form Link:</u> https://www.canada.ca/content/dam/canada/employment-social-development/migration/documents/assets/portfolio/docs/en/student_loans/forms/repayment_disability.pdf
Provincial and territorial student aid offices	<u>Website:</u> https://www.canada.ca/en/services/benefits/education/student-aid/grants-loans/province-apply.html
National Student Loans Service Centre (NSLSC)	<u>Mail/Fax to:</u> National Student Loan Service Centre PO Box 4030 Mississauga Ontario L5A 4M4