

Last name, first name and address of student

Social insurance number

Telephone number

Area code

Hereinafter referred to as "the borrower."

Name and address of financial institution

Transit number

Account number

Hereinafter referred to as "the lender."

The borrower and the lender agree to the following:

Section 1 – Loan

In consideration of the *Guarantee Certificate* issued by the Minister responsible for Higher Education, the lender hereby grants the borrower a loan for a total amount equal to the sum of all monthly or periodic installments authorized by the Minister for studies pursued by the borrower.

The loan is subject to the terms and conditions provided for under the *Act respecting financial assistance for education expenses* (R.S.Q., c. A-13.3) and the regulations thereunder.

At the borrower's request, the Minister may direct the lender to pay all or part of the loan on behalf of the borrower to the educational institution designated by the borrower.

Section 2 – Interest

The amounts loaned bear interest at the rate provided for in the *Act respecting financial assistance for education expenses* and the regulations thereunder.

The Minister pays the interest accrued during the borrower's full exemption period.

During the partial exemption period, the borrower is not required to repay the loan (principal and interest). However, the borrower is responsible for the interest accrued during this period. At the end of the partial exemption period, any outstanding interest will be capitalized.

For the purposes of this agreement, the full exemption period is the period beginning the date on which the borrower is granted a first loan and ending at the end of the borrower's last month of full-time studies or at the time provided for in the *Act respecting financial assistance for education expenses* and the regulations thereunder. The borrower's partial exemption period is the six-month period following the end of the full exemption period.

Section 3 – Repayment

The borrower agrees to begin repaying his or her student loan debt at the end of his or her partial exemption period, unless he or she is deemed to be experiencing financial hardship by the Minister.

In accordance with the *Act respecting financial assistance for education expenses* and the regulations thereunder, the lender and the borrower then work out repayment terms and conditions. However, the lender may send a repayment agreement to the borrower, at his or her last known address. This agreement will be deemed accepted by the borrower if he or she does not request that the lender modify the terms and conditions of the agreement within 15 days of the date on which it was sent. This rule will also apply to a borrower who is no longer deemed to be experiencing financial hardship by the Minister provided the borrower has not signed a repayment agreement.

The lender and the borrower may, at any time, work out other repayment terms and conditions. The borrower may, at any time, repay in advance all or part of the loan.

Section 4 – Reinstatement of the Borrower’s Full Exemption Period

The borrower’s obligation to repay his or her loan will be suspended if the Minister notifies the lender that the borrower’s full exemption period has been reinstated. The interest accrued up to the date of reinstatement of the borrower’s full exemption period will be paid off or capitalized in accordance with the provisions of Section 2.

The monthly or periodic installments set out by the Minister subsequent to the reinstatement of the borrower’s full exemption period will be governed by this agreement.

Section 5 – Borrower in Default

The borrower is considered in default in the following instances:

- he or she refuses, neglects or fails to work out repayment terms and conditions
- he or she refuses, neglects or fails to pay an installment due under the agreement, when the refusal, negligence or failure extends beyond 30 days
- he or she avails him or herself of or is subject to a law governing bankruptcy, insolvency or the protection of debtors

The lender may request the immediate repayment of the balance of the principal and interest owed by a borrower in default.

Section 6 – Address Change

The borrower agrees to notify the lender of any change of address within 30 days.

Section 7 – Assignment of Student Loan Debt

At any time, the borrower may designate another lender as the creditor for all the loans awarded to him or her pursuant to the *Act respecting financial assistance for education expenses*, provided the new lender is recognized by the Minister for the purpose of granting loans.

If warranted, the lender agrees to assign any debt regarding such loans to the new lender, who agrees to enter into a loan agreement with the borrower. This agreement can apply to the borrower and the new lender.

Section 8 – Consent

A financial institution may request that a consent clause regarding the collection and communication of personal information be included in the agreement even though the *Act respecting financial assistance for education expenses* in no way stipulates that entering into a loan agreement is conditional upon such a clause.

In accordance with the *Act respecting the protection of personal information in the private sector* (R.S.Q., c. P-39.1), the borrower authorizes the lender (or the lender’s representative) to obtain, from any person or organization holding information on his or her creditworthiness or financial situation or any other information concerning him or her, the information required to verify the accuracy of the information provided, to update such information and, if applicable, to ensure the recovery of any amount owed by the borrower. The borrower authorizes the person or organization concerned to disclose this information to the lender (or the lender’s representative), even if the information in question is in a file that is closed or inactive.

The borrower authorizes the lender to use this information to establish and maintain business relations with him or her and offer him or her any financial services permitted by law.

Moreover, the borrower consents to having information concerning him or her disclosed to any other lender or personal information agent.

This consent will remain in effect for as long as the business relations between the lender and the borrower last.

The borrower agrees to have the above-mentioned consent clause included in the loan agreement.

Yes No Initials _____

Signed at _____, on the _____ day of _____, _____ .
City/Municipality Day Month Year

X _____ **X** _____
Signature of the borrower Signature of the lender’s representative