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## **Laws and Regulations**

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### **Summary**

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## Draft Regulations

### Draft Regulation

An Act respecting financial assistance for education expenses  
(R.S.Q., c. A-13.3)

#### Financial assistance for education expenses

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation respecting financial assistance for education expenses, the text of which appears below, may be made by the Government on the expiry of 45 days following this publication.

The purpose of the draft Regulation is to replace the Regulation respecting financial assistance for education expenses so as to implement the new legislative provisions enacted by the Act to amend the Act respecting financial assistance for education expenses (2003, c. 17).

The draft Regulation modifies the various items that are taken into account to compute financial assistance. In particular, it provides that the allowable expenses and contributions required of a student and the student's parents, sponsor or spouse are to be determined on a monthly basis instead of every 3 months.

Further information may be obtained by contacting Claude Provencher, Assistant Deputy Minister, financial assistance for education expenses, 1035, rue De La Chevrotière, 20<sup>e</sup> étage, Québec (Québec) G1R 5A5; telephone: (418) 646-5313.

Any interested person having comments to make on the matter is asked to send them in writing, before the expiry of the 45-day period, to the Minister of Education, 1035, rue De La Chevrotière, 16<sup>e</sup> étage, Québec (Québec) G1R 5A5.

PIERRE REID,  
*Minister of Education*

### Regulation respecting financial assistance for education expenses

An Act respecting financial assistance for education expenses  
(R.S.Q., c. A-13.3, s. 57; 2003, c. 17, ss. 41 and 42)

#### CHAPTER I

#### LOANS AND BURSARIES PROGRAM FOR FULL-TIME STUDIES IN VOCATIONAL TRAINING AT THE SECONDARY LEVEL AND FOR FULL-TIME STUDIES AT THE POSTSECONDARY LEVEL

#### DIVISION I

#### THE STUDENT'S CONTRIBUTION

##### *§1. Computation of the contribution*

**1.** The contribution of a student for a year of allocation is established as the sum of

(1) 50% of the student's employment income referred to in Schedule I, minus applicable exemptions;

(2) the student's other income referred to in Schedule II; and

(3) the student's scholarship income.

For the purposes of the computation in subparagraph 1 of the first paragraph, only 40% of the student's employment income is taken into account where, for the preceding year of allocation, no financial assistance is granted to the student under the loans and bursaries program.

Where the result of the computation of financial assistance does not exceed the part of the maximum amount of a loan established pursuant to section 54, the student's contribution is recomputed taking into account only the items referred to in subparagraphs 2 and 3 of the first paragraph. The financial assistance granted to the student in such a case may not exceed the part of the maximum amount of a loan.

## §2. *Applicable exemptions*

**2.** For the purpose of computing the applicable exemptions, an amount is established as maximum income protection to take into account expenses incurred by the student while not pursuing full-time studies.

The amount of maximum income protection is computed by allocating \$1,110 for each of the following months:

(1) the first months of the year of allocation, and the other months of the calendar year ending in the year of allocation, during which the student is not pursuing full-time studies and for which no expense is allowed; and

(2) the subsequent months in the year of allocation during which the student interrupts his or her full-time studies, if the student resumes the studies before the year of allocation ends, and for which no expense is allowed.

**3.** An exemption corresponding to the student's employment income, up to 30% of the amount of maximum income protection, is granted to the student.

**4.** An exemption corresponding to the sum of 35% of the amount of maximum income protection and 35% of the student's employment income, up to 70% of the amount of maximum income protection, is granted to a student if

(1) the student meets any of the conditions in subparagraphs 1 to 4 of the first paragraph of section 4 of the Act respecting financial assistance for education expenses (R.S.Q., c. A-13.3);

(2) the student is not deemed to receive a contribution from his or her parents or sponsor and does not reside with his or her parents or sponsor during the first month in the year of allocation during which the student is pursuing full-time studies;

(3) the student is the subject of a decision or placement order that does not provide for payment of support for the student, except where the decision or placement order is made in a matter of adoption;

(4) custody of the student is entrusted to a tutor;

(5) the student had to leave the residence of his or her parents or sponsor for serious reasons such as the student's health or safety;

(6) the student's parents or sponsor are sheltered in a reception centre, health or social services institution or other place where the student cannot reside; or

(7) the student's parents or sponsor have no residence in Canada.

**5.** An exemption corresponding to 5% of the student's employment income, up to 5% of the amount of maximum income protection, is granted to a student who cannot benefit from the exemption in section 4.

## §3. *Scholarship income*

**6.** A student's scholarship income comprises the amounts in excess of \$5,000 received as such from a public or private organization during the calendar year ending in the current year of allocation.

However, they do not include amounts from an education savings plan.

## §4. *Reduction in the contribution*

**7.** A student's contribution is reduced if the student pursues studies otherwise than full-time in an educational institution recognized by the Minister during the 4 months preceding the first month in the year of allocation in which the student pursues full-time studies.

The reduction in the contribution is \$255 per credit if the student pursues studies at the university level, \$22 per study hour if the student pursues studies at the college level in a private educational institution and \$15 per study hour in all other cases.

Where a student does not reside with his or her parents or sponsor during one of those months, the student's contribution is reduced by an additional amount of \$120 per credit or \$8 per study hour.

The third paragraph does not apply to a student who benefits from the exemption in section 4.

**8.** The reduction in the student's contribution established pursuant to section 7 is lowered if the student has employment income referred to in Schedule I.

The lowered reduction corresponds to the amount obtained by multiplying the student's employment income by 2.5%, up to the amount of maximum income protection, and by multiplying the result of that operation by the number of credits accumulated or by the number obtained by dividing the number of completed study hours by 15.

**9.** A student's contribution is reduced if the student works during the months referred to in the second paragraph of section 2 and does not reside with his or her parents or sponsor.

The reduction in the student's contribution is established by multiplying by \$380 the lesser of

(1) the number of months taken into account to establish maximum income protection pursuant to the second paragraph of section 2; and

(2) the number obtained by dividing the student's employment income referred to in Schedule I by \$1,110.

Where the student benefits from a reduction in his or her contribution under the third paragraph of section 7, the number obtained pursuant to subparagraph 1 of the second paragraph is reduced by the number obtained by dividing the number of credits then accumulated by 3, or by dividing the number of study hours then completed by 45.

This section does not apply to a student who benefits from the exemption in section 4.

**10.** A student's contribution established pursuant to sections 1 to 9 is reduced if the student ceases to be enrolled or to be deemed to be enrolled within the meaning of section 27 as of the month of May of the year of allocation.

The student's contribution is reduced by 12.5% for each month in the year of allocation preceding the month of May during which the student is not enrolled or deemed to be enrolled.

#### *§5. Exemption from contribution*

**11.** A student's contribution is not taken into account for the purpose of computing financial assistance if the student is registered in a training program offered by Emploi-Québec and attends a private educational institution at the secondary level in vocational training or at the college level, a public educational institution for a non-subsidized course of study or a university-level institution.

### **DIVISION II** **CONTRIBUTION OF THE PARENTS, SPONSOR** **OR SPOUSE**

#### *§1. Computation of the contribution*

**12.** The contribution of the parents, sponsor or spouse, for a year of allocation, is established in relation to their respective income, minus applicable exemptions.

The contribution corresponds to the amount determined in the table in Schedule III.

**13.** Where the student's parents no longer live together, their contribution is established on the basis only of the income of the parent with whom the student resides or last resided with.

However, where the student has not resided with either parent since their separation, the parents' contribution is established on the basis only of the income of the parent designated by the student.

**14.** Where the parents and sponsor of the student reside in Canada during the year of allocation, the financial assistance is computed taking into account the parents' contribution, if any.

However, where the student's parents do not reside in Canada at the beginning of the year of allocation, the financial assistance is computed taking into account the sponsor's contribution, if any.

#### *§2. Income of parents, sponsor or spouse*

**15.** The income of the parents, sponsor or spouse is established as the sum of their gross revenue within the meaning of the Taxation Act (R.S.Q., c. I-3), for the calendar year ending before the beginning of the year of allocation.

Allowances or benefits paid by a government to help children or families are taken into account to establish the income of the parents or sponsor.

**16.** Despite section 15, where the income of the parents, sponsor or spouse, as the case may be, for the calendar year ending during the year of allocation are at least 10% lower than the income for the calendar year ending before the beginning of the year of allocation, the income taken into account is the income of the calendar year ending during the year of allocation.

#### *§3. Applicable exemptions*

**17.** For the purpose of computing the contribution of the parents or sponsor, the applicable exemptions are as follows:

(1) where the student's parents live together or where the student's sponsor is married or in a civil union: \$13,885;

(2) where the student's parents no longer live together, where one of the parents is deceased or where the student's sponsor is neither married nor in a civil union: \$11,775;

(3) where both parents have income: the lesser of \$2,200 and the amount corresponding to 14% of the gross revenue, within the meaning of the Taxation Act, of the parent with the lower gross income;

(4) where the student has a major functional deficiency: \$2,200.

An exemption of \$2,660 is granted for the student and an exemption of \$2,400 is granted for each other child of the parents or for each child of the sponsor who, being minor, is single and has no children or, being of full age, pursues full-time studies and is deemed to reside with his or her parents or sponsor within the meaning of section 31 or is deemed to receive a contribution from his or her parents or sponsor.

**18.** An exemption of \$11,755 is granted for the purpose of computing the spouse's contribution.

An additional exemption of \$2,200 is granted if the student has a major functional deficiency.

#### *§4. Reduction in contribution*

**19.** The contribution of the parents, sponsor or spouse is reduced to take into account the expenses incurred for their children.

The contribution of the parents or sponsor is divided by the number of their children, including the student, who are pursuing full-time studies in vocational training at the secondary level or full-time studies at the postsecondary level and are deemed to receive a contribution from their parents or sponsor.

The contribution of the spouse is divided by the number obtained by counting the student and each child of the student and his or her spouse who are pursuing full-time studies in vocational training at the secondary level or full-time postsecondary studies and are deemed to receive a contribution from their parents.

**20.** The contribution of the parents, sponsor or spouse established pursuant to sections 12 to 19 is reduced if the student is not enrolled or deemed to be enrolled for more than 7 months in the year of allocation.

The contribution of the parents, sponsor or spouse in such case corresponds to the amount obtained by multiplying the amount of their contribution established pursuant to sections 12 to 19 by the percentage obtained

by multiplying the number of months in the year of allocation during which the student is enrolled or deemed to be enrolled by 12.5%.

#### *§5. Exemption from contribution*

**21.** For the purpose of computing the financial assistance, the contribution of the parents, sponsor or spouse is not taken into account if

(1) the student is the subject of a decision or placement order other than a decision or placement order made in a matter of adoption;

(2) custody of the student is entrusted to a tutor;

(3) the parents, sponsor or spouse of the student cannot be found;

(4) the student has had to cease all communication with his or her parents, sponsor or spouse for safety reasons;

(5) the parents, sponsor or spouse of the student never resided in Canada before the beginning of the calendar year ending in the year of allocation; or

(6) the student's spouse receives financial assistance under the loans and bursaries program for the year of allocation or received such assistance for the preceding year of allocation.

**22.** A student who has been pursuing university studies in Québec for at least 3 years and has accumulated 90 credits in the same course of study is not deemed to receive a contribution from his or her parents or sponsor.

The foregoing also applies to a student who has been pursuing university studies outside Québec and has completed 4 years of full-time university studies or, if the student has a diploma of college studies, has completed 3 years of full-time university studies in the same course of study.

Despite the first and second paragraphs, a student who has a major functional deficiency within the meaning of section 47 is not deemed to receive a contribution from his or her parents or sponsor if the student has been pursuing university studies in Québec for at least 3 years and has accumulated 45 credits in the same course of study. The foregoing also applies if the student has been pursuing university studies outside Québec for 4 years or, if the student has a diploma of college studies, for 3 years in the same course of study.



### **DIVISION III**

#### **ALLOWABLE EXPENSES**

##### *§1. Categories of allowable expenses*

**23.** Allowable expenses for the purpose of computing the financial assistance for a year of allocation are

- (1) school fees;
- (2) living expenses;
- (3) transportation expenses;
- (4) living expenses for a child;
- (5) child day-care expenses;
- (6) expenses for residents of an outlying area; and
- (7) medication, orthosis or treatment expenses.

**24.** The allowable expenses are allocated for the months in the year of allocation during which the student

- (1) is deemed to be enrolled within the meaning of section 27;
- (2) is pursuing full-time studies; or
- (3) interrupts his or her full-time studies for no more than 4 months and resumes the studies before the end of the year of allocation.

However, no expense is allocated for the first month of any period of consecutive months during which the student is pursuing full-time studies if the student begins to pursue such studies only as of the 16th day of that month.

**25.** The allowable expenses for the months of July and August of the preceding year of allocation are taken into account for the purpose of computing the financial assistance granted for the year of allocation if the student pursues full-time studies during those months only.

The foregoing also applies to the allowable expenses for the months of September and October of the following year of allocation if the student pursues full-time studies during those months only.

**26.** Despite section 24, no expense is allowable for a month in the year of allocation during which the student

(1) receives benefits from a department or body of a government under a last resort financial assistance program;

(2) receives unemployment benefits or any other benefit of the same nature and is registered in a training program offered by a department or body of the Government of Canada;

(3) is registered in a training program offered by Emploi-Québec;

(4) is registered in the Programme d'aide financière pour l'intégration linguistique des immigrants instituted by the Minister of Relations with the Citizens and Immigration, for at least 15 hours a week;

(5) has been committed to custody; or

(6) is serving a training period of 3 months or more as part of a course of study under a cooperative plan.

A student who is in the situation referred to in subparagraph 1 of the first paragraph may be allocated expenses for the first month in the year of allocation during which the student is pursuing full-time studies. However, living expenses are allocated only to a student who is not deemed to reside with his or her parents or sponsor. The amount allocated as living expenses in such a case is \$165.

A student who is in the situation referred to in subparagraph 3 of the first paragraph may be allocated the school fees referred to in section 29 if those fees are not reimbursed to the student by a government department or body and the student attends a private educational institution at the secondary level in vocational training or at the college level, a public educational institution for a non-subsidized course of study or a university-level institution.

**27.** For the purpose of computing the allowable expenses, a student is deemed to be enrolled for a period not exceeding 4 months if the student

(1) is in a situation which, within the meaning of section 16 of the Act respecting income support, employment assistance and social solidarity (R.S.Q., c. S-32.001), could lead the student to complete destitution;

(2) has a major functional deficiency within the meaning of section 47;

(3) cohabits with his or her child; or

(4) is at least 20 weeks pregnant.

**28.** A student may, for the number of consecutive months determined by the student, inform the Minister that no expenses are to be allocated in his or her respect. The period determined by the student must be at the beginning or end of the year of allocation.

### *§2. School fees*

**29.** A student's school fees comprise admission fees, registration fees, tuition fees, fees related to instructional services and any other fees prescribed by the educational institution. They also comprise the amounts allocated for the purchase of didactic materials or specialized equipment.

The fees allocated to a student may not exceed \$6,000 per 4-month period.

The amounts allocated to a student for the purchase of educational materials, per 4-month period, are as follows:

- (1) at the secondary level, in vocational training: \$125;
- (2) at the college level, for pre-university studies: \$125;
- (3) at the college level, for technical studies: \$150;
- (4) at the university level: \$325;

(5) at the university level, for architecture, visual arts, chiropractic, physical education, ergotherapy, medicine, veterinary medicine, music, speech therapy and audiology, optometry, pharmacy, physiotherapy and engineering programs: \$375; and

(6) at the master's or doctoral level, for each 4-month period devoted to writing a thesis or dissertation: \$150.

The amounts allocated to the student for the purchase of specialized equipment correspond to the costs of the specialized equipment that the student is required to acquire for his or her studies.

Despite the second paragraph, no amount is allocated to a student for any 4-month period during which the student pursues full-time studies for less than 3 months.

Despite the third paragraph, no amount is allocated to a student for any 4-month period during which the student is serving a training period.

### *§3. Living expenses*

**30.** A student's living expenses are allocated for each month in the year of allocation according to whether or not the student resides with his or her parents or sponsor, according to whether or not the student is deemed to reside with his or her parents or sponsor and according to whether or not the student is deemed to be enrolled.

**31.** A student who is deemed to receive a contribution from his or her parents or sponsor is deemed to reside with his or her parents or sponsor if the student also

(1) attends an educational institution or is serving a training period in the municipality in which his or her parents or sponsor have their place of residence; or

(2) attends an educational institution or is serving a training period in an area served by a regional or municipal public transit service linking the area with the residence of the student's parents or sponsor.

Despite the first paragraph, a student is not deemed to reside with his or her parents or sponsor if:

(1) the student meets any of the conditions in subparagraphs 1 to 4 of the first paragraph of section 4 of the Act respecting financial assistance for education expenses;

(2) the student is the subject of a decision or placement order that does not provide for payment of support for the student, except where the decision or placement order is made in a matter of adoption;

(3) custody of the student is entrusted to a tutor;

(4) the student had to leave the residence of his or her parents or sponsor for serious reasons such as the student's health or safety; or

(5) the student's parents or sponsor are sheltered in a reception centre, health or social services institution or other place where the student cannot reside.

**32.** The living expenses allocated to a student who resides or is deemed to reside with his or her parents or sponsor are \$325 per month while those allocated to a student who does not reside or is not deemed to reside with his or her parents or sponsor are \$715 per month.

The living expenses allocated to a student who is deemed to be enrolled, within the meaning of section 27, and who resides or is deemed to reside with his or her parents or sponsor are \$125 per month, plus an amount corresponding to 10% of the student's employment income, up to \$200 per month. Where the student is deemed to be enrolled but does not reside with his or her parents or sponsor, those expenses are \$515 per month, plus an amount corresponding to 10% of the student's employment income, up to \$200 per month.

The amounts provided for in the first paragraph are reduced by \$100 if a student attending an educational institution recognized by the Minister no longer pursues studies on a full-time basis, and by \$200 if the student interrupts his or her full-time studies for a period not exceeding 4 months and resumes the studies at the end of that period.

**33.** A student without a spouse is allocated an additional \$58 per month as living expenses if the student cohabits with his or her child during the year of allocation.

If the child is of full age, or if the student is not the recipient of the benefits under the Act respecting family benefits (R.S.Q., c. P-19.1), that amount is increased to \$166 per month.

Where custody of the child is shared, living expenses may be allocated to the student only if, in the year of allocation, the student has custody of the child for at least 25% of the time.

**34.** A student who is required to serve a training period as part of his or her studies and, for that reason, cannot live at his or her ordinary residence is allocated an additional amount of \$243 as living expenses for each month of training, up to \$1,128 per year of allocation.

This section does not apply to a student without a spouse who serves a training period that lasts 3 consecutive months or more.

#### *§4. Transportation expenses*

**35.** Land transportation expenses are allocated to a student who resides with his or her parents or sponsor and cannot travel to the educational institution attended using a public transit service.

Land transportation expenses allocated to a student are \$83 per month.

**36.** Air transportation expenses are allocated to a student where there is no road link between his or her parents' or sponsor's residence and the educational institution attended.

Air transportation expenses correspond to the cost of one return trip in economy class for each 4-month period during which the student is enrolled, up to 2 periods per year of allocation.

#### *§5. Living expenses*

**37.** Living expenses for a child are allocated to a student if

(1) the student cohabits with his or her child or spouse's child or, if they do not cohabit, the child meets none of the conditions in section 4 of the Act respecting financial assistance for education expenses;

(2) the child is of full age, has no child and meets none of the conditions in subparagraphs 1 to 4 of the first paragraph of section 4 of the Act respecting financial assistance for education expenses; and

(3) the child is pursuing full-time studies.

A student who is at least 20 weeks pregnant is entitled to the amount allocated as living expenses for a child.

A student who has shared custody of a minor child is also entitled to the amount allocated as living expenses for a child, except if the student is the recipient of the family allowance granted under the Act respecting family benefits (R.S.Q., c. P-19.1).

The living expenses for a child are \$217 per month for a first child and \$200 per month for every other child.

Where a student and his or her spouse are both full-time students, the living expenses for a child are allocated only once for each child.

In addition, where custody of the child is shared, living expenses for a child may be allocated to the student only if, in the year of allocation, the student has custody of the child for at least 25% of the time. The living expenses for a child in such a case are allocated to the student in proportion to the time during which the student has custody of the child in the year of allocation.

### *§6. Child day-care expenses*

**38.** Child day-care expenses are allocated for each child under 12 years of age and for each child aged 12 to 17 having a major functional deficiency within the meaning of section 47.

Child day-care expenses allocated to the student correspond, for each month in the year of allocation during which the student is in any of the situations referred to in subparagraphs 2 and 3 of the first paragraph of section 24, to the amount obtained by multiplying the contribution fixed by a regulation made pursuant to section 39 of the Act respecting childcare centres and childcare services (R.S.Q., c. C-8.2) by 21.5.

Where a student and his or her spouse are both full-time students, the child day-care expenses are allocated only once for each child.

In addition, where custody of the child is shared, child day-care expenses may be allocated to the student only if, in the year of allocation, the student has custody of the child for at least 50% of the time. The child day-care expenses in such a case are reduced by one half where, in the year of allocation, the student does not have custody of the child for more than half the time.

**39.** Where there is no opening for the child in a day care centre for which the contribution referred to in the second paragraph of section 38 is payable, the child day-care expenses allocated to the student are increased, for each month in the year of allocation, by the amount obtained by subtracting the amount obtained pursuant to the second paragraph of section 38 from the maximum amount qualifying for the child care expense credit for a month under the Taxation Act.

### *§7. Expenses for residents in an outlying area*

**40.** A student who attends an educational institution located in an outlying area and is not deemed to reside with his or her parents or sponsor within the meaning of section 31 is allocated expenses of \$63 per month, up to \$504 per year of allocation.

The expenses referred to in the first paragraph are also allocated to the student if the student's parents or sponsor live in an outlying area.

The following administrative regions constitute outlying areas: Bas-Saint-Laurent (01), Saguenay-Lac-St-Jean (02), Abitibi-Témiscamingue (08), Côte-Nord (09) and Gaspésie-Îles-de-la-Madeleine (11) and the territories of the regional county municipalities of Antoine-Labelle, Haut-Saint-Maurice, Pontiac and La Vallée-de-la-Gatineau.

### *§8. Medication, orthosis or treatment expenses*

**41.** Visual orthosis expenses are allocated to a student who furnishes supporting documents to substantiate the purchase of visual orthoses for himself or herself or for his or her child or spouse's child. Visual orthosis expenses are \$185 per person, per period of two years of allocation.

**42.** Medication or chiropractic treatment expenses are allocated to a student who furnishes supporting documents to substantiate the payment of medications or chiropractic treatments prescribed by a physician, if such expenses incurred for the benefit of the student, his or her child or spouse's child are not otherwise reimbursed.

Expenses for medications or chiropractic treatments correspond to the amount of the monthly payment in excess of \$16.

**43.** Despite section 24, a student who interrupts his or her full-time studies for a period that does not exceed 4 months and resumes his or her studies at the end of that period is allocated the expenses for medications, visual orthoses or treatments paid during that period, in accordance with sections 41 and 42, for the month as of which the student resumes full-time studies.

## **DIVISION IV SUPPLEMENTS**

**44.** An amount is allocated to a student, as a supplement, if the student

(1) was granted financial assistance for the preceding year of allocation under the loans and bursaries program and no contribution is required from the student pursuant to section 1 for the year of allocation; and

(2) interrupts his or her full-time studies before the beginning of the year of allocation or during the year of allocation for a period not exceeding 4 months and resumes the studies before the end of the year of allocation.

The amount allocated as a supplement is established by subtracting the sum of the amounts referred to in subparagraphs 2 and 3 of the first paragraph of section 1 and half the student's employment income referred to in Schedule I from the sum of the amount allocated pursuant to sections 7 to 9 and half the amount allocated pursuant to sections 2 to 5.

**45.** An amount is allocated to a student as a supplement if the student's income for the calendar year ending in the year of allocation is at least 10% lower than his or her income for the preceding calendar year.

The amount allocated as a supplement is established by subtracting the amount of the student's contribution for the year of allocation from the amount of the student's contribution for the preceding year of allocation, and by dividing the result of that operation by 3.

No amount is allocated to the student under this section if, during one of the months of the calendar year ending in the year of allocation, the student is not a full-time student or no expense is allowable, pursuant to section 26, for any of the months of the year of allocation during which the student is a full-time student.

#### **DIVISION V** **STUDENT DEEMED TO BE FULL-TIME**

**46.** A student is deemed to pursue studies recognized by the Minister on a full-time basis if he or she is pursuing studies on a part-time basis and

(1) does not have a spouse and cohabits with his or her child who is under 12 years of age;

(2) is at least 20 weeks pregnant; or

(3) cohabits with his or her child from the child's birth until the age as of which the child is subject to compulsory school attendance.

Where the child has a major functional deficiency within the meaning of section 47 or a mental disorder attested to in a medical certificate, the period during which the student is deemed to pursue studies recognized by the Minister on a full-time basis is extended until the child, if he or she is pursuing studies, has reached the age of 21.

If the student and his or her spouse are both students, only one of them, for the same year of allocation, may be deemed to pursue studies recognized by the Minister on a full-time basis pursuant to subparagraph 3 of the first paragraph.

#### **DIVISION VI** **MAJOR FUNCTIONAL DEFICIENCIES**

**47.** The following are major functional deficiencies:

(1) severe visual deficiency: visual acuity in each eye, after correction by means of appropriate ophthalmic lenses, excluding special optical systems and additions greater than 4.00 dioptres, is not more than 6/21, or the field of vision in each eye is less than 60 degrees in the 180-degree and 90-degree meridians and, in either case, the person is unable to read, write or move about in a familiar environment;

(2) severe hearing deficiency: the ear having the greater hearing capability is affected by a hearing deficiency evaluated, according to American National Standards Institute Standards S3.6-1989, to be an average of at least 70 decibels, in aerial conduction, on any of the 500, 1,000 or 2,000 Hertzian frequencies;

(3) a motor deficiency, where it results in significant and persistent limitations for the student in the performance of his or her daily activities: loss, malformation or abnormality in the skeletal, muscular or neurological systems responsible for body motion; and

(4) an organic deficiency, where it results in significant and persistent limitation for the student in the performance of his or her daily activities: disorder or abnormality in the internal organs forming part of the cardiorespiratory, gastrointestinal and endocrinal systems.

**48.** A major functional deficiency must be attested to in a medical certificate.

An evaluation of the disabilities related to the major functional deficiency must be made by a therapist specialized in the area of the deficiency. In the absence of specialized therapist or where the care of such a therapist is not required, the evaluation must be made by a physician.

#### **DIVISION VII** **MAXIMUM LOAN AMOUNTS**

**49.** The amount of the first portion of a loan used for the computation provided for in section 14 of the Act respecting financial assistance for education expenses is determined as follows:

(1) at the secondary level, in vocational training: \$1,000;

(2) at the college level: \$1,000;

(3) at the university level: \$2,400.

**50.** The maximum amount of a loan granted for the year of allocation to a student attending an educational institution designated by the Minister for the granting of loans and bursaries is determined as follows:

(1) at the secondary level, in vocational training: \$12,800;

(2) at the college level: \$12,800;

(3) at the university level: \$14,750.

If the student cohabits with his or her child or spouse's child, the amount determined under the first paragraph is increased by the following amount according to the number of children:

- (1) one child: \$3,450;
- (2) two children: \$4,365;
- (3) three children or more: \$5,285.

**51.** The maximum amount of a loan is increased, for each month in the year of allocation during which a student is in any of the situations referred to in paragraph 2 or 3 of the first paragraph of section 24, by the following amount:

- (1) at the secondary level, in vocational training: \$200;
- (2) at the college level: \$220;
- (3) at the undergraduate university level or the equivalent: \$305;
- (4) at the undergraduate university level, after obtaining an undergraduate degree in Québec or such a degree or the equivalent outside Québec: \$405.

The maximum amount of a loan is increased by the amount of the fees allocated to the student under section 29 if the student

- (1) attends a private institution at the secondary level in vocational training or at the college level for a program subsidized under the Act governing the institution;
- (2) attends an institution at the secondary level in vocational training or at the college level for a program non-subsidized under the Act governing the institution;
- (3) attends the Institut de police du Québec; or
- (4) attends an educational institution located outside Québec.

The maximum amount of a loan is increased, in the case referred to in section 39, by the amount allocated to the student pursuant to that section.

The amount provided for in subparagraph 2 of the first paragraph is increased to \$330 if the student attends an educational institution at the college level for a course of study referred to in subparagraph 2 of the second paragraph.

**52.** The maximum amount of a loan granted to a student attending an educational institution outside Québec designated by the Minister for the granting of loans only is \$950 for each month in the year of allocation during which the student is pursuing studies on a full-time basis.

**53.** Despite sections 49 to 52, where the amount determined as the contribution of the parents, sponsor or spouse exceeds the amount determined as allowable expenses, the maximum amount of the loan is established as the sum of

(1) the amount of the first portion of a loan determined under section 49;

(2) the amount obtained by subtracting the amount determined as allowable expenses from the amount determined as the contribution of the parents, sponsor or spouse.

## DIVISION VIII

### PART OF THE MAXIMUM AMOUNT OF LOAN USED IN COMPUTING A BURSARY

**54.** The part of the maximum amount of the loan used in computing the bursary granted to a student for a year of allocation corresponds to the amount of increase in the maximum amount of the loan established pursuant to section 51.

**55.** Where a student ceases to be eligible for a bursary during the year of allocation, the part of the maximum amount of the loan is increased by the amount obtained by subtracting the amount obtained by multiplying the amounts established as the contribution of the student, his or her parents, sponsor or spouse, if applicable, by the fraction that the number of months in the year of allocation for which the student is not eligible for a bursary is of the number of months in the year of allocation for which allowable expenses are allocated to the student from the amount of allowable expenses allocated for the months in the year of allocation during which the student is not eligible for a bursary.

## DIVISION IX

### ELIGIBILITY PERIOD

**56.** A student is eligible for financial assistance for the following length of time:

- (1) at the secondary level, in vocational training: 35 months;
- (2) at the college level, for technical studies: 42 months;



(3) at the college level, for pre-university studies: 33 months;

(4) at the undergraduate university level: 39 months;

(5) at the master's level: 31 months;

(6) at the doctoral level: 47 months.

Despite the foregoing, where the duration of the course of study pursued by the student, to which a period of 15 months is added, exceeds the number of months of eligibility determined under the first paragraph, the student's eligibility period for financial assistance in the form of a loan is the period corresponding to the number of months so obtained.

In addition, a student pursuing studies at the university level cannot receive financial assistance in the form of a loan for more than 88 months and, if the student is not in a course of study, for more than 9 months in each cycle.

Professional training courses and examinations dispensed by a professional order governed by the Professional Code (R.S.Q., c. C-26) or by a school under its control to a student who has obtained the undergraduate university degree necessary to enrol in the courses are considered to be university studies at the master's level.

A student who is eligible for financial assistance in the form of a loan for the first month in the year of allocation remains eligible for such financial assistance for all the other months in the year of allocation.

Where a student is deemed to pursue studies recognized by the Minister on a full-time basis pursuant to section 46 or the first paragraph of section 10 of the Act respecting financial assistance for education expenses, the number of months for which the student is eligible for financial assistance is taken into account in proportion to the time during which the student is pursuing studies.

**57.** A student is eligible for financial assistance in the form of a bursary for the number of months obtained by subtracting 9 months from the number of months determined under section 56.

**58.** Where the student cohabits with his or her child or spouse's child, the eligibility period for financial assistance in the form of a bursary determined under section 57 is extended in such manner that it corresponds to the eligibility period for financial assistance in the form of a loan.

For the purpose of computing financial assistance in the form of a bursary, only the allowable expenses referred to in sections 33, 37 and 38 are taken into account.

## **DIVISION X**

### **LEVEL OF INDEBTEDNESS**

**59.** The balance of all guaranteed loans, at every level of education and cycle, may not exceed

(1) \$21,000 for a student in vocational training at the secondary level;

(2) \$15,000 for a student at the college level for pre-university studies;

(3) \$21,000 for a student at the college level for technical studies;

(4) \$25,000 for a student at the undergraduate university level for a course of study of 24 months or less;

(5) \$30,000 for a student at the undergraduate university level for a course of study of 24 months or more;

(6) \$35,000 for a student at the master's level for a course of study of 20 months or less;

(7) \$40,000 for a student at the master's level for a course of study of 20 months or more;

(8) \$45,000 for a student at the doctoral level.

Despite the first paragraph, the maximum level of indebtedness is increased to \$25,000 for a student pursuing his or her studies at the college level in a course of study non-subsidized under the Act governing the educational institution or in a course of study offered by a private educational institution. The level of indebtedness is increased to \$60,000 for a student attending an educational institution outside Canada.

For the purposes of this section, an amount corresponding to the amount of the bursary to be paid, if applicable, to the financial institution for the preceding year of allocation or an amount of financial assistance in the form of a loan that is recovered by the Minister during the year of allocation pursuant to section 99 is not taken into account. Despite the foregoing, an amount of financial assistance in the form of a bursary repayable to the Minister is taken into account.

**DIVISION XI****EXTENSION OF THE FULL EXEMPTION PERIOD**

**60.** Where a student interrupts his or her full-time studies owing to any of the following events, the full exemption period is extended, as of the month following the month in which the event occurs, for the following duration:

(1) 4 months for a student who reaches the 20th week of her pregnancy;

(2) 8 months for a student who gives birth to a child;

(3) 8 months for a student who adopts a child or whose spouse gives birth to a child;

(4) 8 months for a student who cannot pursue studies owing to a disability attested to in a medical certificate and that lasts for more than one month;

(5) the duration, up to 24 months, of the functions of a student elected to exercise functions within an organization of student associations.

In addition, the student's full exemption period is extended until the end of the year of allocation if the exemption period ends after the month of April.

**61.** A student's full exemption period is extended if the student is serving a period of training as part of a course of study under a cooperative plan until the end of the training, or until the end of studies if the student is pursuing full-time studies at the secondary level in an educational institution governed by the Education Act (R.S.Q., c. I-13.3) or the Act respecting private education (R.S.Q., c. E-9.1).

The same applies if the student is in a precarious financial situation within the meaning of section 74, and the student is pursuing postdoctoral studies, a period of training recognized by the Government or a sports training program under the authority of the Ministère des Affaires municipales, du Sport et du Loisir.

**62.** A student's full exemption period is extended if the student, after interrupting his or her full-time studies, resumes the studies before the end of the student's partial exemption period.

**DIVISION XII****REMISSION OF A PART OF THE LOAN BY THE MINISTER**

**63.** A borrower who receives financial assistance in the form of a bursary for each year of allocation during which he or she pursues a program of technical studies at the college level leading to a diploma of college studies and completes the studies and obtains official certification thereof within the usual time limit is entitled, on application to the Minister and up to the amount established pursuant to sections 54 and 55, to a 15% reduction on the value of the guaranteed loans contracted within that time limit.

**64.** A borrower who receives financial assistance in the form of a bursary for each year of allocation during which he or she pursues a program of undergraduate studies at the university level leading to a degree and completes the studies and obtains official certification thereof within the usual time limit is entitled, on application to the Minister and up to the amount established pursuant to sections 54 and 55, to a 15% reduction on the value of the guaranteed loans contracted within that time limit and, if applicable, on the value of the following guaranteed loans:

(1) loans contracted during his or her college studies in a program leading to a diploma of college studies if he or she receives financial assistance in the form of a bursary for each year of allocation and completes the studies and obtains official certification thereof within the usual time limit;

(2) loans contracted during his or her master's or doctoral studies if he or she receives financial assistance in the form of a bursary, completes the studies and obtains official certification thereof within the usual time limit.

**65.** Any amount remitted by the Minister pursuant to sections 63 and 64 is paid to the financial institution holding the debts relating to the guaranteed loans, to be applied to repayment of the loans.

**DIVISION XIII****MANAGEMENT OF A LOAN**

*§1. Terms and conditions for the presentation of the guarantee certificate and payment of the loan*

**66.** A student must present his or her guarantee certificate issued by the Minister to the financial institution within 90 days of the date on the certificate.



**67.** The financial institution and the student must enter into a loan agreement on the disbursement of the amounts corresponding to the monthly or periodic instalments established by the Minister for the payment of the guaranteed loan.

The financial institution and the student may at that time agree on repayment terms and conditions.

Despite the foregoing, a financial institution may not enter into a loan agreement as long as any claim relating to a loan previously granted to the student under the Act respecting financial assistance for education expenses has not been assigned to it.

### *§2. Repayment*

**68.** Unless the borrower has agreed on the repayment terms and conditions or has been recognized as a borrower in a precarious financial situation within the meaning of section 74, the borrower must, at the end of the partial exemption period, enter into a repayment agreement with the creditor financial institution in relation to the loan and any capitalized interest.

**69.** The repayment agreement must determine the amount of the payments agreed on to repay the principal and interest or the method agreed on to determine such an amount.

The rate of interest to be applied is fixed at the end of the full exemption period.

The rate of interest is again fixed at the end of the partial exemption period. From that date, the rate of interest is a variable rate that fluctuates as provided in section 73.

The borrower and the financial institution may, at any time, agree on other repayment terms and conditions.

**70.** A borrower may, from the end of the partial exemption period, require that the rate of interest applicable to the balance of any loan granted under the Act be the hypothecary interest rate offered by the financial institution for the term chosen by the borrower.

The borrower and the financial institution may agree on a term that exceeds the terms for which a hypothecary interest rate is offered. In such a case, the applicable rate of interest is the hypothecary interest rate offered by the financial institution for the longest term.

The repayment agreement must indicate the rate of interest and the amount and number of payments agreed on by the borrower and the financial institution for full repayment of all of the principal and interest. Those conditions may not subsequently be amended except by agreement.

### *§3. Interest*

**71.** The rate of interest applicable to the payment of interest by the Minister to a financial institution on a loan granted under the Act is fixed monthly, on the first day of the month preceding the month for which the rate is applicable, as follows: the rate is equal to the banker's acceptance rate in force on the day the rate of interest is fixed, plus 150 basis points.

The expression "banker's acceptance rate" means the banker's acceptance rate in Canadian dollars for 1 month, as it appears in the Bank of Canada's Weekly Financial Statistics. If no rate appears, the rate is that of the previous day on which that rate appeared.

**72.** Payment of interest by the Minister is made at the latest at the end of the month following the month for which the interest is payable.

**73.** The rate applicable to the payment of interest by the borrower to a financial institution is equal to the prime business rate, plus 50 basis points. That rate of interest fluctuates in relation to the variations in the prime business rate.

The expression "prime business rate" means the rate fixed by the Bank of Canada for a given day as the standard to be used by financial institutions and published in its Weekly Financial Statistics.

### *§4. Borrower in a precarious financial situation*

**74.** A borrower is in a precarious financial situation if the borrower's employment income referred to in Schedule I is less than \$1,221 per month and the borrower foresees having such income for the following 4 months.

The amount mentioned in the first paragraph is increased by \$215 if the student has a child, and by \$200 for each additional child. The amount is also increased by \$110 if the student has no spouse and cohabits with his or her child.

**75.** A borrower may apply to the Minister to be recognized as a borrower in a precarious financial situation for a maximum period of 6 months ending no later than 60 months after the end of the partial exemption period.

Recognition by the Minister that a borrower is in a precarious financial situation suspends the performance of the repayment agreement.

During the period provided for in the first paragraph, the Minister shall pay to the financial institution, on behalf of the borrower, the interest on the balance of the guaranteed loans and any capitalized interest at the rate provided for in the repayment agreement.

Section 72 applies to payment of the interest by the Minister.

**76.** On the expiry of that period, the borrower may apply to the Minister to be again recognized as a borrower in a precarious financial situation.

A borrower may not, however, be recognized as being in a precarious financial situation for more than 24 months during the borrower's lifetime.

**77.** A borrower who ceases to be in a precarious financial situation must begin to make the monthly payments payable under the repayment agreement to the financial institution.

A borrower who was not required to enter into a repayment agreement at the end of the partial exemption period must enter into such an agreement as soon as the borrower ceases to be in a precarious financial situation.

#### *§5. Borrower in default*

**78.** A borrower is in default if the borrower

(1) avails himself or herself of or is subject to an Act relating to bankruptcy, insolvency or the protection of debtors;

(2) refuses, neglects or fails to enter into a repayment agreement; or

(3) refuses, neglects or fails to make a payment due under the repayment agreement and that refusal, negligence or failure extends beyond 30 days.

**79.** As soon as the borrower is in default, the balance of the principal and interest of the loan becomes payable.

**80.** Where the Minister reimburses to the financial institution the losses in principal and interest resulting from a guaranteed loan pursuant to section 28 of the Act respecting financial assistance for education expenses, the rate of interest to be paid by the borrower in default is, as of the reimbursement, a variable rate that fluctuates as provided in section 73.

#### *§6. Resumption of studies by a borrower*

**81.** Where a borrower resumes being a full-time student, any unpaid interest owing is capitalized.

This section does not apply to a student who, pursuant to section 43 of the Act respecting financial assistance for education expenses, must agree with the Minister on repayment terms and conditions.

### **CHAPTER II**

#### **LOANS PROGRAM FOR PART-TIME STUDIES IN VOCATIONAL TRAINING AT THE SECONDARY LEVEL AND FOR PART-TIME STUDIES AT THE POSTSECONDARY LEVEL**

### **DIVISION I** **ELIGIBILITY**

**82.** A student whose annual financial resources are less than \$35,000 is eligible for a loan.

The amount mentioned in the first paragraph is increased to \$50,000 if the student has a spouse or is deemed to receive a contribution from his or her parents or sponsor. The amount, however, remains unchanged if the student is in any of the situations referred to in section 21.

The amounts mentioned in the first and second paragraphs are increased by \$2,600 for the first child and by \$2,400 for each additional child if the student cohabits with his or her child or spouse's child. The amount mentioned in the first paragraph is increased by \$1,995 if the student has no spouse and cohabits with his or her child.

**83.** The financial resources of a student are established as the sum, for the calendar year ending before the beginning of the year of allocation, of the student's gross revenue within the meaning of the Taxation Act and, if applicable, the gross income of the student's spouse or, if the student has no spouse, that of his or her parents or sponsor.

In the case provided for in section 13, the parent's income consists only of the gross income of the sole parent whose income must be taken into account under that section.

Despite the first paragraph, if the student is in any of the situations referred to in section 21, the income of the parents or sponsor is not taken into account.

**84.** Despite section 83, where a student's financial resources for the calendar year ending during the year of allocation are at least 10% lower than his or her financial resources for the preceding calendar year, the financial resources taken into account are those for the calendar year ending during the year of allocation.

## **DIVISION II** **ALLOWABLE EXPENSES**

**85.** The expenses allowable for the purpose of computing the amount of financial assistance are

- (1) school fees; and
- (2) child day-care expenses.

**86.** An amount is allocated to a student for school fees for each trimester, determined as follows:

- (1) at the secondary level, for vocational training: \$2 per course hour;
- (2) at the college level: \$3 per period of instruction;
- (3) at the university level: \$85 per credit.

The amount in subparagraph 2 of the first paragraph is increased to \$10 if the student is attending a private educational institution.

**87.** An amount of \$490 per child is allocated to a student for child-care expenses for each trimester if

- (1) the student cohabits with his or her child or spouse's child; and
- (2) the child is under 12 years of age or is 12 years of age or older and has a major functional deficiency within the meaning of section 47 or a mental disorder attested to in a medical certificate.

**88.** Despite sections 86 and 87, no amount is allocated to a student in respect of a category of allowable expenses if amounts are granted by a government department or body to the student for the same purpose for the trimester concerned.

**89.** No guarantee certificate is issued for an amount of financial assistance under \$100.

## **DIVISION III** **PERIOD OF ELIGIBILITY**

**90.** A student is eligible for financial assistance in the form of a loan for a maximum of 14 trimesters.

## **DIVISION IV** **LEVEL OF INDEBTEDNESS**

**91.** The balance of all guaranteed loans under the loans program may not exceed \$8,000.

## **DIVISION V** **MANAGEMENT OF A LOAN**

**92.** The provisions of Division XIII of Chapter I apply, with the necessary modifications, where the borrower obtains a loan pursuant to Division II of Chapter III of the Act respecting financial assistance for education expenses.

## **CHAPTER III** **GENERAL**

### **DIVISION I** **RESIDENCE IN QUÉBEC**

**93.** A student studying in Québec or, if studying outside Québec, resides in Québec has his or her residence in Québec if

- (1) the student was born in Québec or was adopted by a person who had his or her residence in Québec at the time of adoption;
- (2) one of the student's parents or his or her sponsor has his or her residence in Québec;
- (3) the student's parents or sponsor are deceased and one of the parents or the sponsor had his or her residence in Québec at the time of death;
- (4) the student has maintained a residence in Québec even though his or her parents or sponsor have ceased to reside in Québec;
- (5) Québec is the last place where the student resided for 12 consecutive months while not pursuing full-time studies;
- (6) the student holds a selection certificate issued under section 3.1 of the Act respecting immigration to Québec (R.S.Q., c. I-0.2);

(7) the student has resided in Québec for at least 3 months without having resided in another province for more than 3 months;

(8) the student resided in Québec according to paragraphs 2, 4, 5 or 7 for 3 consecutive years within the last 5 years; or

(9) the student's spouse resides or resided in Québec according to any of the preceding paragraphs.

**94.** A student who is studying outside Québec and had his or her residence in Québec according to section 93 before the date of departure is deemed to reside in Québec if

(1) the student's parents or sponsor have their residence in Québec;

(2) the student's parents or sponsor had their residence in Québec before their departure from Québec, if they have been outside Québec for 5 years or less;

(3) the student has not interrupted full-time studies for more than 12 consecutive months since the date of departure; or

(4) the student's spouse has not worked outside Québec for more than 12 months since the date of the student's departure.

#### **DIVISION II** **TIME FOR PRODUCING AN APPLICATION FOR** **FINANCIAL ASSISTANCE**

**95.** Except in cases of superior force, no application for financial assistance is accepted after 60 days from the end of the last month in the year of allocation during which the student is pursuing studies.

#### **DIVISION III** **ADVANCE FINANCIAL ASSISTANCE**

**96.** The Minister may grant advance financial assistance to a student who has applied for financial assistance and is in a situation that, within the meaning of section 16 of the Act respecting income support, employment assistance and social solidarity, could lead the student to complete destitution.

The amount of an advance loan is \$500 unless the student cohabits with his or her child or spouse's child, in which case the amount is \$775.

#### **DIVISION IV** **CHANGE IN CIRCUMSTANCES**

**97.** Any change in circumstances that affects the amount of financial assistance is taken into account only from the month following the month during which the change occurred.

#### **DIVISION V** **RECOVERY OF FINANCIAL ASSISTANCE** **RECEIVED WITHOUT ENTITLEMENT**

**98.** Financial assistance in the form of a loan received by a student without entitlement is recovered by the Minister from any financial assistance granted for the subsequent years of allocation.

The amount of financial assistance subject to recovery is determined by subtracting the sum obtained after adding \$1,000 to the amount of financial assistance in the form of a loan to which the student is entitled for the year of allocation from the amount of financial assistance in the form of a loan actually received for the year of allocation.

Where the amount of financial assistance in the form of a loan to which the student is entitled for the year of allocation is less than the amount of the part of the maximum amount of the loan established pursuant to section 54, the amount of financial assistance subject to recovery is determined by subtracting the sum obtained after adding \$1,000 to the amount of that part of the maximum amount of the loan from the amount of financial assistance actually received for the year of allocation.

**99.** Recovery is effected by the Minister according to the following recovery schedule:

(1) where the amount of recovery does not exceed \$2,000: 1 year;

(2) where the amount of recovery exceeds \$2,000 without exceeding \$4,000: 2 years; and

(3) where the amount of recovery exceeds \$4,000: 3 years.

Financial assistance received by a student without entitlement is recovered in an amount up to \$2,000 per year of allocation, except where the amount received without entitlement is over \$6,000, in which case a third of the amount may be recovered per year of allocation.

**100.** Financial assistance in the form of a bursary received by a student without entitlement is recovered by the Minister from any financial assistance granted for the subsequent years of allocation, in accordance with the following rules:

(1) an amount corresponding to the financial assistance in the form of a bursary received by the student without entitlement is recovered from the financial assistance granted in the form of a loan for the subsequent years of allocation in accordance with the rules in sections 98 and 99; and

(2) the amount of financial assistance in the form of a bursary received by the student without entitlement is recovered from the financial assistance granted in the form of a bursary until the amount owing is recovered in full.

#### **DIVISION VI** **RATE OF INTEREST APPLICABLE TO** **FINANCIAL ASSISTANCE RECEIVED** **WITHOUT ENTITLEMENT**

**101.** The amount of financial assistance in the form of a bursary received without entitlement bears interest at the rate fixed at the end of the student's full exemption period. The rate of interest is, as of that date, a variable rate that fluctuates as provided in section 73.

#### **DIVISION VII** **ASSIGNMENT OF CLAIMS**

**102.** A borrower may at any time designate another financial institution recognized as a loan granting institution by the Minister as the creditor of all guaranteed loans granted to the borrower.

The financial institution in such case must assign any claim relating to the guaranteed loans held by it to the new financial institution agreeing to enter into a loan agreement with the borrower.

**103.** Where the Minister ceases to recognize a financial institution as a loan granting institution, any claim relating to a guaranteed loan for which the Minister pays the interest must be assigned by the financial institution to the institution designated by the borrower or, where no designation is made by the borrower, by the Minister, from among the other recognized financial institutions.

#### **DIVISION VIII** **PROOF**

**104.** Any statement of account prepared by a financial institution which, pursuant to section 28 of the Act respecting financial assistance for education expenses, requests that the Minister reimburse the losses in principal and interest arising from a guaranteed loan is proof, for the purposes of any proceeding, in the absence of proof to the contrary, of the amounts owing by the borrower in default.

#### **CHAPTER IV** **TRANSITIONAL AND FINAL**

**105.** This Regulation replaces the Regulation respecting financial assistance for education expenses made by Order in Council 844-90 dated 20 June 1990.

**106.** For the purpose of computing financial assistance granted for the 2004-2005 year of allocation, the allowable expenses and contributions are determined for the period between 1 May 2004 and 31 August 2005.

Despite the foregoing, where a student pursues vocational training at the secondary level at the beginning of that period, the allowable expenses are taken into account only as of 1 July 2004.

No amount is allocated as a supplement under section 45 for that year of allocation.

**107.** The interest paid by a student in a year of allocation in relation to a loan granted under the loans program for the purchase of a microcomputer is taken into account as allowable expenses for the purpose of computing financial assistance granted under the loans and bursaries program.

**108.** For the period between 1 May 2004 and 1 May 2005, the amount provided in the first paragraph of section 74 is \$1,195.

**109.** Despite section 23 of the Act respecting financial assistance for education expenses, the full exemption period for a student completing full-time studies between 1 May and 1 September 2004 ends on that latter date.

**110.** Section 80 applies, as of 1 May 2004, in respect of the balance of a guaranteed loan reimbursed by the Minister pursuant to section 28 of the Act respecting financial assistance for education expenses before the coming into force of this Regulation.

**111.** This Regulation comes into force on 1 May 2004.

**SCHEDULE I**  
(ss. 1, 8, 9 and 74)

**EMPLOYMENT INCOME**

- (1) gross income including tips and gratuities from employment;
  - (2) income replacement indemnities under an Act applicable in Canada;
  - (3) indemnities received under a salary insurance plan;
  - (4) unemployment benefits, employment benefits and any other benefits of the same nature paid by a government department or body;
  - (5) amounts received as a bursary under the Official-Language Monitor Program instituted by the Government of Canada;
  - (6) amounts received under a pension plan;
  - (7) refunds of sick-leave or special-leave credits resulting from the application of a collective agreement or other document in lieu thereof;
  - (8) enterprise or self-employed income within the meaning of the Taxation Act; and
  - (9) retirement or disability pensions and retirement or disability pensions received under an Act applicable in Canada.
- For the purposes of subparagraph 1, income earned during an election as an enumerator, polling officer or, on the condition that the person is designated by a power of attorney, as a representative of a candidate, is not taken into account.

**SCHEDULE II**  
(s. 1)

**OTHER INCOME**

- (1) death benefits in the form of a pension paid under an Act;
- (2) an orphan’s pension, a disabled contributor’s pension, compensation for a child who is a victim of a criminal act, a surviving spouse’s pension and benefits received as such under an Act;
- (3) income from a succession, trust or gift in respect of which the student is a beneficiary;

- (4) amounts paid as financial assistance for language instruction offered under an Act;
- (5) allowances paid by a government department or body;
- (6) amounts received as child support;
- (7) investment income;
- (8) amounts equal to any exemption from the payment of mandatory tuition fees; and
- (9) monetary benefits or benefits to which a monetary value may be assigned, except support payments or compensatory allowances, received as a result of a *de facto* separation agreement, a divorce judgment or a judgment on separation as to bed and board.

**SCHEDULE III**  
(s. 12)

**CONTRIBUTION OF THE PARENTS OR SPONSOR**

Available income		Contribution required
greater than	without exceeding	
\$0	\$8,000	0% of available income
\$8,000	\$44,000	0% on the first \$8,000 and 19% on the remainder
\$44,000	\$54,000	\$6,840 on the first \$44,000 and 29% on the remainder
\$54,000	\$64,000	\$9,740 on the first \$54,000 and 39% on the remainder
\$64,000		\$13,640 on the first \$64,000 and 49% on the remainder

## Index Statutory Instruments

Abbreviations : **A** : Abrogated, **N** : New, **M** : Modified

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Financial assistance for education expenses, An Act respecting... — Financial assistance for education expenses . . . . . (R.S.Q., c. A-13.3)	989A	Draft

