

The Repayment Assistance Plan (RAP) is a program which allows borrowers who are having difficulty repaying their loans make reduced or zero monthly student loan payments. Ontario and Canada both administer RAP through the National Student Loans Service Centre (NSLSC).

How does it work?

RAP is an income sensitive repayment assistance program that is available to qualified borrowers who have Canada and/or Ontario Student Loans.

A borrower whose gross family income is below the threshold in this chart, based on their family size, may qualify for zero payment (i.e., no monthly payment is required).

Family size	Monthly gross family income for zero payment	Annual gross family income for zero payment
1	\$ 2,083	\$ 25,000
2	\$ 3,254	\$ 39,052
3	\$ 4,205	\$ 50,457
4	\$ 4,959	\$ 59,512
5+	\$ 5,652	\$ 67,825

If the family income is above the threshold for zero payment, an *affordable payment* is calculated and it gradually increases with higher income from 1% to a maximum of 20% of gross family income.

Through RAP, the balance of the loan is gradually paid off within a maximum of 15 years of the borrower leaving full-time studies, or ten years for a borrower with a permanent disability.

Stages of RAP

Stage 1: Applies to the first five years the borrower is on RAP. The government helps pay the interest on the student loans on behalf of the student.

Stage 2: This stage begins if the borrower has been on RAP for at least five years, or if the borrower has been in repayment for at least ten years. The government helps pay the interest and principal on the student loans on behalf of the borrower.

If the borrower is five or more years out of studies and received Stage 2 RAP, they are ineligible for further OSAP funding until their loans are reduced to zero.

Borrowers with permanent disabilities are automatically considered for Stage 2 RAP.

Eligibility

You may qualify for RAP if:

- you reside in Canada;
- at least six months have passed since you graduated or left school; and
- your student loans are in good standing.

How to apply?

Borrowers apply for RAP on-line or by paper to the NSLSC, and must report their gross family income (your income plus spouse) and family size for the month prior to their application.

Each term of RAP approval is for six months, so the borrower must re-apply every six months.

Contact

If you have questions, contact the NSLSC at 1-888-815-4514.