

## Step Up Scholarship Terms and Conditions

### Interpretation

“**Administrator**” means StudyLink or any subsequent agency responsible for the administration of the Step Up Scholarships.

“**Bond Default**” means the failure to meet the bonding requirements as set out in Clause 15.

“**Bond Default Amount**” means the repayable proportion of the Scholarship calculated in accordance with Clause 31.

“**Bond Default Date**” means the earlier of;

- a) the date of “**Deemed Default**” or
- b) the date the Recipient left New Zealand and subsequently exceeded the permissible period of stay outside of New Zealand as set out in Clause 15.

“**Bonded Period**” means the minimum period for which the Recipient is bonded for as set out in Clause 15.

“**Course**” means an Approved Course listed in Schedule 1.

“**Compulsory Fees**” means the compulsory course fees charged by the Education Provider and paid by StudyLink direct to the Education Provider on behalf of the Recipient. It does not include course-related costs or levies.

“**Deemed Default**” means StudyLink not receiving the Recipient’s completed declaration or Residency Statement within 30 calendar days of any such declaration or Residency Statement being requested by StudyLink.

“**Date of Deemed Default**” means the expiry of the 30<sup>th</sup> calendar day following the date of the declaration or Residency Statement being requested by StudyLink.

“**Education Provider**” means a state university, polytechnic, wananga, college of education, the New Zealand School of Dance, the New Zealand School of Drama, Taratahi Agricultural Centre or a registered private training establishment providing tertiary education.

“**Full-Time Student**” means a student enrolled in a course of at least 32 weeks and 0.8 EFTS and includes students with ‘Limited Full-Time’ status.

“**Intermediate Year**” means a course of study that needs to be completed before acceptance into the course that leads to the main qualification.

“**Limited Full-Time**” means less than a full-time course that StudyLink has approved in terms of the criteria set out in Regulation 12(2)(a) and (b) of the Student Allowance Regulations 1998 (except for the requirement for the student to be otherwise eligible for a Student Allowance).

“**Minimum Repayment Amount**” means the lesser of:

- a) \$100 or such other amount as the Recipient may be advised by StudyLink from time to time; or
- b) the balance of the bond default amount.

“**Recipient**” means the person to whom the Scholarship has been awarded.

“**Residency Statement**” means any statement or declaration StudyLink requires the Recipient to make in order to confirm the Recipient has complied with their bond obligations.

“**Scholarship Period**” means any period the Recipient is in receipt of the Scholarship.

“**Step Up Scholarship Agreement**” means this Agreement and its schedules.

**“Student Loan Scheme”** means the government’s loan scheme for tertiary students.

**“StudyLink”** is a service line of the Ministry of Social Development.

**References to the Student Loan Scheme Act** refer also to its regulations, including the Student Loan Scheme (Interest Rates) Regulations 2003 and the Student Loan Scheme (Repayment Threshold) Regulations 2003, and include Acts and regulations amending, replacing or consolidating that Act or those regulations.

**References to the Scholarship** refer to the Step Up Scholarship, being the Crown’s scheme intended to facilitate access to tertiary education and the retention of skilled graduates in New Zealand by providing compulsory course costs assistance to eligible students enrolled in specified approved courses with tertiary education providers.

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## General

1. StudyLink will decide on the award of a Scholarship in StudyLink's sole discretion.
2. The Scholarship may be awarded only for a specified course.
3. The Scholarship is not intended to be paid for an intermediate year.
4. The Scholarship will be awarded for the specified number of years it usually takes to complete the course and will only be paid for years where the Recipient's fees for the year are \$3,000 or more.
5. Transfer of a Scholarship from one course to another must be agreed to by StudyLink.
6. Any Scholarship transferred to another course will be paid only for the number of years of the original course and will not be extended for further years, provided that in the case of the course specified in clause 6.1 StudyLink may approve the payment of the Scholarship for such further period as StudyLink agrees to:
  - 6.1. Bachelor of Human Biology (BHB) transferring to a Bachelor of Medicine and Bachelor of Surgery (MBCHB)
7. A Recipient is not eligible to be awarded more than one Scholarship.
8. The award of the Scholarship is subject to the applicant:
  - 8.1. being accepted into the specified approved course of study; *and*
  - 8.2. starting that course of study in the first semester of the first or second calendar year after completing secondary school; *and*
  - 8.3. being entitled to be paid (in the first week of the first year of their course) a Student Allowance (in accordance with the Student Allowances Regulations 1998).
9. The maximum value of the Scholarship in any one year is the difference between \$2,000.00 and the compulsory course fees payable for the course for that year, and excludes the cost of any papers added to the course during the year, except in the case of the course specified in clause 9.1
  - 9.1. Bachelor of Veterinary Science (BVSc).

## Payment

10. The Scholarship will be paid each year
  - 10.1. directly to the Education Provider, and cannot be collected personally by the Recipient; *and*
  - 10.2. for compulsory fees only.
11. Any fees for the course refunded by the Education Provider will be paid to StudyLink who will determine the *pro rata* basis (if any) for any refund to the Scholarship, the Scholarship Recipient and the Scholarship Recipient's Student Loan (if used to pay fees).
12. Payment of the Scholarship each year is subject to the Recipient undertaking the specified Approved Course as a Full-Time (or Limited Full-Time) Student.
13. Payment of the Scholarship in second and subsequent years is subject to the Recipient passing more than half of a full-time course that forms part or all of the course for which the Scholarship was paid.
14. The Scholarship may be withdrawn if the Recipient fails to:
  - 14.1. advise StudyLink of any change in their course of study; *and*
  - 14.2. obtain StudyLink's approval for any change in their course of study

## Bonded Period

15. The Recipient is bonded to remain in New Zealand, for the minimum period required as set out below, commencing from the 1<sup>st</sup> of the month following the completion date of the course for which the Scholarship was paid:

| If the Scholarship was awarded for 3 years  | If the Scholarship was awarded for 4 or more years  |
|---|---|
| The Recipient must remain in New Zealand for at least 36 months out of the following 48 months. Additionally a 4 week absence from New Zealand in each of the 3 years is permitted. | The Recipient must remain in New Zealand for at least 48 months out of the following 60 months. Additionally a 4 week absence from New Zealand in each of the 3 years is permitted. |

## Continuation of the Scholarship

### Academic Performance

16. In any year, if the Recipient fails to pass more than half of a full-time course that forms part or all of the course for which the Scholarship was paid, they will have no further entitlement to the Scholarship (unless, in the opinion of StudyLink, the failure was for reasons outside the Recipient's control).
17. If access to the Scholarship is stopped under Clause 16 the Recipient may reinstate their entitlement to the Scholarship if, in the following year, they complete and pass more than half of a full-time course that forms part or all of the course for which the Scholarship was paid.
18. In the case of reinstatement, the Scholarship will be paid for no more than the number of years for which it was originally awarded, and will be not be extended for further years.

### Withdrawal

19. In any year, if the Recipient withdraws from the course for which the Scholarship has been paid they will have no further entitlement to the Scholarship (unless, in the opinion of StudyLink, they withdrew for reasons outside their control).
20. If entitlement is stopped under Clause 19 the Recipient may reinstate their entitlement to the Scholarship if, in the year following their withdrawal, they complete and pass more than half of a full-time course that forms part or all of the course for which the Scholarship was paid.
21. If the Recipient withdrew for reasons outside their control, they must resume their course following the end of the next academic year; otherwise they will have no further entitlement to the Scholarship.
22. In the case of withdrawal, the Scholarship (on reinstatement or resumption) will be paid for no more than the number of years for which it was originally awarded, and will be not be extended for further years.

### Postponement

23. The Recipient may postpone their course for up to one full year for any reason and may continue the Scholarship when they restart their course.
24. In the case of postponement, the Scholarship will be paid only for the number of years for which it was originally awarded and will not be extended for further years.

### Not completing

25. If the Recipient ceases study without completing the qualification for which the Scholarship was paid, they are not required to repay the Scholarship and they will not be bonded.

## Obligations

26. During the Scholarship Period, the Recipient must advise StudyLink if in any year they:
  - 26.1. withdraw from all or part of their course of study;
  - 26.2. fail to pass more than half of a full-time course that forms part or all of the course for which the Scholarship was paid;
  - 26.3. postpone their course of study;
  - 26.4. restart their course of study (following a withdrawal or postponement);
  - 26.5. change their circumstances in a way that might affect eligibility for and/or entitlement to the Scholarship.
27. During the entire Bonded Period, the Recipient must advise StudyLink:
  - 27.1. if they leave New Zealand for any period (including for any period allowable under the Scholarship agreement);
  - 27.2. of any changes in their circumstances that affect their bonding obligations.
28. The Recipient must complete and return any declaration sent to them by StudyLink, regarding the Scholarship or the bond (including the Residency Statements).
29. During the Scholarship Period **and** the subsequent Bonded Period, the Recipient must immediately advise StudyLink of any change of address.

## Bond Default

30. The Recipient of a Scholarship agrees to pay back a portion of the Scholarship if, having completed their course:
  - 30.1. they fail to meet the bonding requirements set out in Clause 15 (default); *or*
  - 30.2. they fail to complete and return to StudyLink any declaration or Residency Statement requested by StudyLink within 30 calendar days of the request being issued by StudyLink (Deemed Default).
31. In the case of default or Deemed Default, the proportion the Scholarship to be paid back (the Bond Default Amount) is calculated as follows:

| Bond Default Date                   | 3 years of Scholarship      | More than 3 years of Scholarship |
|-------------------------------------|-----------------------------|----------------------------------|
| Within 1 year of course completion  | 80% of the Scholarship paid | 80% of the Scholarship paid      |
| Within 2 years of course completion | 60% of the Scholarship paid | 70% of the Scholarship paid      |
| Within 3 years of course completion | 40% of the Scholarship paid | 60% of the Scholarship paid      |
| Within 4 years of course completion |                             | 40% of the Scholarship paid      |

32. The Recipient will be notified of the Bond Default and the amount of Scholarship to be recovered (Bond Default Amount) and given a reasonable time (such period to be determined by StudyLink) to dispute this.
33. The Bond Default Amount will be recovered by the Commissioner of Inland Revenue under and in accordance with the Student Loan Scheme and the Student Loan Scheme Act 1992, and the provisions of that Act shall apply, where necessary, to this Scholarship agreement.
34. Interest on the Bond Default Amount will accrue on a daily basis (at the Total Interest Rate being the rate that applies to Student Loans from time to time in accordance with the Student Loan Scheme Act 1992 and its Regulations) from the Bond Default Date.
35. The interest accrued shall be capitalised on the 31 March following the transfer to the Commissioner of Inland Revenue, and then on 31 March in each subsequent year.
36. The bond default amount together with interest shall become repayable upon demand if the Recipient: becomes a bankrupt or enters into a composition with creditors.
37. If the Recipient dies, the Bond Default Amount, including all interest will cease to be payable to the StudyLink or the Commissioner of Inland Revenue.

## **Interest**

38. The Recipient acknowledges that the Base Interest Rate and the Interest Adjustment Rate (and, as a result, the Total Interest Rate), are specified in the Student Loan Scheme (Interest Rates) Regulations 2003, and may be varied from time to time. The Recipient further acknowledges that in event of default (including Deemed Default) they will be notified of any such variation by written notice, given from time to time in accordance with Clause 47.
39. The Recipient acknowledges that the repayment threshold is as specified in the Student Loan Scheme (Repayment Threshold) Regulations 2003, and may be varied from time to time. The Recipient further acknowledges that notification of such variation may be made by written notice given from time to time in accordance with Clause 47.
40. The current Base Interest Rate is 4.2% per annum, and is set in accordance with the Student Loan Scheme Act 1992 and its Regulations. This rate may vary from time to time.
41. The current Adjustment Interest Rate is 2.8% per annum, and is set in accordance with the Student Loan Scheme Act 1992 and its Regulations. This rate may vary from time to time.
42. The current Total Interest Rate is 7% per annum, and is set in accordance with the Student Loan Scheme Act 1992 and its Regulations. This rate may vary from time to time.
43. Interest accrues on a daily basis from the date of Bond Default and is capitalised on 31 March of the year following the calculation of the Bond Default Amount and then on 31 March in each subsequent year.
44. Any interest that accrues may be written off by the Commissioner of Inland Revenue subject to eligibility and pursuant to the Student Loan Scheme Act 1992 and its Regulations (which may vary from time to time).

## **Dispute rights**

45. The Recipient will have the rights set out in the Student Loan Scheme Act 1992 and any other remedies available at law.
46. StudyLink shall have all normal remedies available at law.

## **Notices**

47. StudyLink or the Commissioner of Inland Revenue may give notice of any variation of the Base Interest Rate, the Interest Adjustment Rate (and, as a result, the Total Interest Rate) or any notice varying the Minimum Repayment Amount by publication in writing addressed to the Recipient.
48. Notices, requests or requirements to be given to the Recipient by StudyLink or the Commissioner of Inland Revenue under this Agreement may be given by StudyLink or the Commissioner of Inland Revenue, or by any employee agent or solicitor for any of them; and may be sent by ordinary mail, or personally delivered to the address of the Recipient as specified in this Agreement, or to any address subsequently advised by the Recipient, or to an address held by the Commissioner of Inland Revenue, or may be handed to the Recipient personally.
49. If StudyLink or the Commissioner of Inland Revenue has reason to believe that the Recipient's address is incorrect, or that the Recipient is no longer receiving mail or living at that address, StudyLink may send or deliver notices to the Alternative Address as specified in this Agreement.
50. Notices sent by ordinary mail shall be deemed to be given 3 days after posting.
51. Notices given by StudyLink under this clause may be included in any Step Up Scholarship Bond Default Advice.

## **Fraud**

52. Any person who uses this Scholarship Agreement to obtain a Scholarship in circumstances where the Recipient is not a student of an Education Provider, or commits fraud or uses false pretence to obtain this Scholarship may be liable for an offence under the Crimes Act 1961, and/or may have to repay all or part of the Scholarship.
53. Any prosecution commenced in accordance with Clause 52 may be taken in addition to any other remedy available to StudyLink under this Agreement, or otherwise at law.

## **Governing Law**

54. This Agreement shall be governed by the law of New Zealand.
55. The Recipient and StudyLink irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand.
56. Nothing in this Agreement shall limit the right of StudyLink to commence any legal action against the Recipient in any other jurisdiction, whether concurrently or otherwise.

## **Assignment**

57. StudyLink's interest in this Agreement may be assigned by StudyLink to any Department of State, organisation or person. The Recipient may not assign their interest or obligations under this Agreement.

## **Privacy**

59. The Recipient consents to:
- 59.1. the disclosure and/or matching of all personal information supplied by them and relating to this Agreement (and the Recipient's Step Up Scholarship application form), that is held by all relevant public bodies, including, but not limited to the:
- i. Ministry of Social Development;
  - ii. Inland Revenue Department;
  - iii. Ministry of Education;
  - iv. Tertiary Education Commission;
  - v. New Zealand Qualifications Authority;
  - vi. Education Provider;
  - vii. New Zealand Customs Service; and
  - viii. Department of Internal Affairs.
- to any other of these organisations or to any person, only so far as shall be required to enable the implementation or enforcement of the provisions of this Agreement.
- 59.2 the matching of any such personal information with any other personal information of the Recipient (if any) held by the Ministry of Social Development for the purpose of ensuring compliance with the provisions of this Agreement.
60. The Recipient consents to StudyLink obtaining results of study from their Education Provider, or from the New Zealand Qualifications Authority to confirm their eligibility or continuing eligibility for the Scholarship.
61. The Recipient consents to StudyLink obtaining information regarding payment of course costs and fees from their Education Provider.

## **Disclosure**

### **A. Cancellation Rights**

The Recipient of a Step Up Scholarship has the right to cancel this Step Up Scholarship Agreement by giving written notice to StudyLink in accordance with the notice provisions in Clause 48 no later than the end of the 15<sup>th</sup> working day after signing this Agreement and receiving initial disclosure. On cancellation, if the Recipient's Education Provider has received monies in accordance with this Agreement, then these must be repaid to StudyLink forthwith.

**B. Initial Disclosure**

(This disclosure is made pursuant to section 16 of the Credit Contracts Act 1981)

All the terms of this contract are contained in this Step Up Scholarship Agreement, the Bond default Advice, and the Student Loan Scheme Act 1992 and other terms implied by law.

- Step Up Scholarship bond default amounts will be recovered from the Recipient on the same terms and conditions as if the amount were a Student Loan.
- The repayment obligation as a result of a breach of bond shall be in accordance with the Student Loan Scheme Act 1992, which supplements this Step Up Scholarship Agreement.
- If the Recipient defaults (or is deemed to have defaulted) on their bonding obligation, StudyLink will calculate and advise the Recipient of the Bond Default Amount. Interest on the Bond Default Amount will be calculated at the interest rate current at the time of Bond Default or Deemed Default from the date of Bond Default (or Deemed Default). The total cost of credit will be shown in the Bond Default Amount calculation that will be sent to the Recipient.
- The name and address of the Administrator and the Commissioner of Inland Revenue is as shown below:

|  |   |
|--|---|
| <b>The Administrator's Address:</b>              | The Step Up Scholarship Administrator<br>StudyLink<br>Freepost 113907<br>Private Bag 11070<br>PALMERSTON NORTH 5320 |
| <b>Commissioner of Inland Revenue's Address:</b> | 12 - 22 Hawkestone Street<br>P.O. Box 2198<br>WELLINGTON  |

## Schedule 1 Approved Animal and Human Health courses

| Provider Code | Provider Name                            | Qualification Code | Title  |
|---------------|--|--------------------|--|
| 6004          | Unitec New Zealand                       | CA2054             | Bachelor of Health Science (Medical Imaging)             |
| 6004          | Unitec New Zealand                       | CA2166             | Bachelor of Nursing                                      |
| 6004          | Unitec New Zealand                       | CA2254             | Bachelor of Applied Science (Human Biology)              |
| 6004          | Unitec New Zealand                       | CA2308             | Bachelor of Applied Animal Technology                    |
| 6006          | Christchurch Polytechnic Inst of Tech    | CH3757             | Bachelor of Medical Imaging                              |
| 6006          | Christchurch Polytechnic Inst of Tech    | CH3751             | Bachelor of Midwifery                                    |
| 6006          | Christchurch Polytechnic Inst of Tech    | CH3730             | Bachelor of Nursing                                      |
| 6007          | Eastern Institute of Technology          | HB3812             | Bachelor of Nursing                                      |
| 6008          | Wellington Institute of Technology       | CT3718             | Bachelor of Alcohol and Drug Studies                     |
| 6008          | Wellington Institute of Technology       | CT3709             | Bachelor of Counselling                                  |
| 6009          | Universal College of Learning            | MA4010             | Bachelor of Nursing                                      |
| 6009          | Universal College of Learning            | MA4030             | Bachelor of Applied Science (Medical Imaging Technology) |
| 6010          | Manukau Institute of Technology          | MN4241             | Bachelor Of Health Science (Nursing)                     |
| 6011          | Nelson Marlborough Inst of Technology    | NE4468             | Bachelor of Nursing                                      |
| 6012          | Northland Polytechnic                    | NT5002             | Bachelor of Health Science (Nursing)                     |
| 6013          | Otago Polytechnic                        | OT4688             | Bachelor of Midwifery                                    |
| 6013          | Otago Polytechnic                        | OT4728             | Bachelor of Nursing                                      |
| 6013          | Otago Polytechnic                        | OT4760             | Bachelor of Occupational Therapy                         |
| 6014          | Whitireia Community Polytechnic          | PR4624             | Bachelor of Nursing                                      |
| 6015          | Southern Institute of Technology         | ST4803             | Bachelor of Nursing                                      |
| 6017          | Western Institute of Technology Taranaki | TK4987             | Bachelor of Nursing                                      |
| 6018          | Waiariki Institute of Technology         | WR2732             | Bachelor of Nursing                                      |
| 6018          | Waiariki Institute of Technology         | WR2752             | Bachelor of Nursing for Registered Nurses                |
| 6019          | Waikato Institute of Technology          | WK2343             | Bachelor of Midwifery                                    |
| 6019          | Waikato Institute of Technology          | WK2342             | Bachelor of Nursing                                      |
| 7001          | University of Auckland                   | AU4102             | Bachelor of Health Sciences                              |
| 7001          | University of Auckland                   | AU0386             | Bachelor of Medicine & Bachelor of Surgery               |
| 7001          | University of Auckland                   | AU0387             | Bachelor of Nursing                                      |
| 7001          | University of Auckland                   | AU0112             | Bachelor of Optometry                                    |
| 7001          | University of Auckland                   | AU0069             | Bachelor of Pharmacy                                     |
| 7001          | University of Auckland                   | AU0068             | Bachelor of Human Biology                                |
| 7003          | Massey University                        | MY0113             | Bachelor of Health Science                               |
| 7003          | Massey University                        | MY0109             | Bachelor of Medical Laboratory Science                   |
| 7003          | Massey University                        | MY0111             | Bachelor of Midwifery                                    |
| 7003          | Massey University                        | MY0074             | Bachelor of Nursing                                      |
| 7003          | Massey University                        | MY0112             | Bachelor of Nursing                                      |
| 7003          | Massey University                        | MY0069             | Bachelor of Speech and Language Therapy                  |
| 7003          | Massey University                        | MY0108             | Bachelor of Veterinary Science                           |
| 7007          | University of Otago                      | OO0199             | Bachelor of Medical Laboratory Science                   |
| 7007          | University of Otago                      | OO0033             | Bachelor of Medicine and Bachelor of Surgery             |
| 7007          | University of Otago                      | OO0038             | Bachelor of Pharmacy                                     |
| 7007          | University of Otago                      | OO0198             | Bachelor of Physiotherapy                                |
| 7007          | University of Otago                      | OO0056             | Bachelor of Dental Surgery                               |
| 7007          | University of Otago                      | OO0361             | Bachelor of Dental Technology                            |
| 7007          | University of Otago                      | OO0036             | Bachelor of Medical Science                              |
| 7007          | University of Otago                      | OO0401             | Bachelor of Health Sciences (Medical Radiation Therapy)  |
| 7008          | Auckland University of Technology        | AK3680             | Bachelor of Health Science                               |
| 7008          | Auckland University of Technology        | AK3452             | Bachelor of Health Science (Midwifery)                   |
| 7008          | Auckland University of Technology        | AK3324             | Bachelor of Health Science (Nursing)                     |
| 7008          | Auckland University of Technology        | AK3410             | Bachelor of Health Science (Occupational Therapy)        |

|      |                                     |        |  |
|------|-------------------------------------|--------|--|
| 7008 | Auckland University of Technology   | AK3313 | Bachelor of Health Science (Physiotherapy) |
| 7008 | Auckland University of Technology   | AK3713 | Bachelor of Health Science in Podiatry     |
| 7008 | Auckland University of Technology   | AK3432 | Bachelor of Medical Laboratory Science     |
| 8396 | New Zealand College of Chiropractic | PC3163 | Bachelor of Chiropractic                   |

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