

Information Notes on Repayment and Deferment of Loan under the FASP

1. You are required to repay your loan, which shall normally commence on 1 December of the year of your graduation or when the course has officially ended, until it is repaid in full. The first instalment of loan repayment will normally fall due on 1 January or 1 July (if opted for deferred activation of loan repayment) of the following year of your graduation. If you have not received the notice of commencement of repayment or demand of repayment within six months after your graduation or the course has officially ended, you should notify the SFO in writing immediately.
2. With a view to facilitating better financial management of loan borrowers, loan borrowers who have obtained FASP loans and without any loan accounts repaying with quarterly repayment arrangement under other financial assistance / loan schemes administered by the SFO are required to repay their FASP loans by monthly instalments. The loan borrowed by you and the interest accrued thereon are repayable in 15 years ('Repayment Period') by 180 equal monthly instalments, or in a shorter Repayment Period by equal monthly instalments as agreed by the SFO.
3. If you:
 - (a) cease to be a registered full-time student of a locally-accredited Course; or
 - (b) withdraw or are suspended from or cease or defer your studies in the locally-accredited Course; or
 - (c) transfer from the institution where you have borrowed the FASP loans to another; or
 - (d) have not completed the Course for any reason,

you are required to notify the SFO in writing **immediately** and repay the loan in one lump sum or by equal instalments; and if by instalments over a revised Repayment Period, also interest accrued at the rate of 1% per annum. The length of the loan Repayment Period, its commencement date, and any repayment arrangements shall be decided by the SFO.

4. Arrangement of demand notes and notifications are as follows:
 - (a) Instalments will normally fall due on 1st of each calendar month for monthly repayment; while on 1 January, 1 April, 1 July and 1 October each year for quarterly repayment. Demand notes and/or notifications will be issued 14 days before each due date as far as practicable. If you do not receive the demand note and/or notifications seven days before each due date, you should contact the SFO without delay. Non-receipt of demand note does not exempt you from the obligation to repay the instalment due on or before the due date. If repayment has not been made duly, you will be required to repay the Government the overdue amount together with a surcharge as set out in paragraph 9 below.
 - (b) For environmentally friendly reason and to avoid possible non-receipt of postal demand notes, monthly demand notes would be uploaded to 'SFO E-link' (<https://e-link.wfsfaa.gov.hk>) and notifications would be sent to 'MyGovHK' and/or 'iAM Smart' online platforms for your viewing, printing and downloading. You need to safekeep your 'MyGovHK' and/or 'iAM Smart' account login username and password to receive repayment notifications and demand notes through 'SFO E-link – My Bills' service. If you have not logged into 'MyGovHK' for a period of 36 months, your account will be terminated. Electronic monthly demand notes and/or notifications shall be deemed to have been duly given by SFO and have been duly received by you regardless of whether you have actually accessed the demand notes or notifications and whether you have actual notice of their availability. Requests for receiving demand notes and/or notifications by other means will not be accepted. SFO may contact you by mail, telephone, fax, e-mail or other forms of electronic notifications (e.g. SMS) for any repayment matters. Should you wish to save a copy of the latest instalment demand note, you are reminded to download and/or print it out on or before the due date.
 - (c) Your failure to visit 'MyGovHK', 'iAM Smart' and/or 'SFO E-link – My Bills' service online platform(s) to receive any repayment schedule or demand note(s) does not exempt you from the obligation to repay the instalment due on or before the due date. Otherwise, you will be regarded as breaching of the terms in the 'Undertaking'.
5. Within the Repayment Period, you can put up a request to change its duration. The request should be put up 14 days before the due date of the demand note so that the revised repayment schedule will take effect in the upcoming instalment. If you fail to put up your request by the above mentioned deadline or your loan is currently under deferment, the effective date of your requested revision will be postponed accordingly. Request could only be made in writing. Verbal request will not be accepted. You have to repay your instalments according to the original repayment schedule until the revised Repayment Period takes effect.
6. Interest at a rate of 1% per annum shall be charged on the loan borrowed by you from the commencement date of the loan Repayment Period. You may have a rough estimation on the repayment amount by using the repayment calculator available in the 'SFO E-link' at <http://e-link.wfsfaa.gov.hk>.
7. Interest of each monthly instalment is the interest accrued for the month preceding the instalment due date.

8. Each instalment (instalment loan principal and interest) shall not be less than \$100.
9. If you fail to repay the loan or interest or any part thereof when it becomes due, you will be required to repay with the Government the overdue amount together with a surcharge at the rate of 5%.
10. Any partial repayment made by you which does not discharge in full any amount due and payable shall be applied in or toward the discharge of: firstly the surcharge, secondly (any balance thereof) the interest, thirdly (any balance thereof) the overdue principal portion of the loan and finally all costs incurred by the Government for the recovery of the overdue amount and enforcement of the 'Undertaking' and 'Deed of Indemnity'.
11. Any repayment or overpayment made by you before the instalment due date will be applied to repay the forthcoming instalment(s) according to the repayment schedule until the amount is exhausted. Interest payable for those instalments will not be reduced or exempted.
12. If you wish to make early lump sum or partial repayment of the loan, a request should be put up in writing. Verbal request will not be accepted. You may download the application form from the WFSFAA website at <https://www.wfsfaa.gov.hk/sfo/pdf/common/Form/fasp/SFO199E.pdf>. Normally you have to settle the early lump sum or partial repayment demand note in full within 14 days from its issue date. If you fail to repay the early lump sum or partial demand note on time, surcharge incurred shall be calculated in the same way as set out in paragraph 9 above.
 - (a) For early lump sum repayment, the repayment amount shall include all outstanding principal, interest and surcharge (if any).
 - (b) For early partial repayment, the repayment amount shall not be less than an amount decided by the SFO (currently set at HK\$5,000) or the amount of one repayment instalment, whichever is greater.
 - (c) Interest of early repayment is calculated as follows:

Loan Account Status	Early Lump Sum Repayment Interest Cut-off Date	Early Partial Repayment Interest Cut-off Date
Before commencement of repayment	Interest will not be charged	Interest will not be charged
During the repayment period	Preceding day of the date of request	Preceding day of the due date of the forthcoming instalment

- (d) You are advised to consider carefully before submitting an early repayment request. If you cancel and make another request for early repayment of loan within the same month, the SFO may consider not accepting the second / revised application. If you have fully settled the early lump sum / partial repayment demand note, cancellation request to ask for refund of the repayment will not be accepted.
13. For request and/or repayment by mail, the postmark date will be regarded as the repayment date. Underpaid mail items will not be accepted. Please ensure sufficient mailing time and postage to make delivery in order. Underpaid mail items will be returned to the sender (with return address) or disposed of (without return address) by the Hongkong Post. For repayment via internet online banking payment services, the actual date the bank effects its payment will be regarded as the repayment date. Repayment date will determine the charging of surcharge. For request by fax, email or via the 'SFO E-link', the date received by the SFO will be regarded as the date of request.
14. Loan borrowers are required to make repayments on time. If you plan to leave Hong Kong, you are required to make prior repayment arrangement. If you intend to leave Hong Kong for a period longer than three months or to emigrate, you are obliged to notify the SFO immediately in writing. Upon receipt of such notification, unless the SFO has otherwise come to an agreement with you concerning the repayment schedule of the loan or unless the SFO is satisfied that you shall be able to continue to repay the loan based on the original repayment schedule, the SFO could demand your immediate repayment of all outstanding balance of the loan, interest and surcharge (if any) and any recovery expenses.
15. If you have obtained loans for different courses, or for the same course under different financial assistance/loan schemes administered by the SFO, separate loan accounts will be created. Interest, surcharge (if applicable) and administrative fee (if applicable) will be calculated separately for each account. Request for merging loan accounts will not be accepted.

16. You and your indemnifier are required to notify the SFO immediately in writing of any change of your and/or your indemnifier's correspondence/residential address or other contact information, including mobile phone number, email address or fax number. For any changes in correspondence/residential address, you and/or your indemnifier are required to provide a photocopy of documentary evidence showing the new address in the past three months. Post Office Box numbers, Public Letter Boxes, care of addresses or student hostels will not be accepted as valid residential address. Documentary evidence of address should be letters issued by government bureaux/departments, public organisations/utilities or commercial organisations. If necessary, you and/or your indemnifier may be required to produce the documentary evidence in originals. The amendment form can be downloaded from the WFSFAA website at <http://www.wfsfaa.gov.hk/sfo/en/postsecondary/fasp/application/forms.htm>.
17. You are required to procure immediately or otherwise upon the first repayment notification of the SFO, an alternative indemnifier located in Hong Kong and acceptable to the Government to execute the Indemnity in favour of the Government in the event that your indemnifier intends to leave or has already left Hong Kong for a period longer than three months or to emigrate or has already emigrated, failing which the SFO has the power to demand your immediate repayment of all outstanding balance of the loan, interest and surcharge (if any) and any recovery expenses.
18. If after your indemnifier signed the 'Deed of Indemnity'
- (a) he/she becomes incapable of fulfilling the obligations required under the 'Deed of Indemnity'; or
 - (b) he/she is deceased; or
 - (c) you are aware that a bankruptcy petition is filed by or presented against him/her or a bankruptcy order is made against him/her; or
 - (d) he/she applies for IVA; or
 - (e) you are aware that a receiver, administrator, administrative receiver, trustee or similar officer has been appointed over any or all of his/her assets; or
 - (f) he/she is involved in any litigation, arbitration or administrative proceedings (whether inside or outside Hong Kong) or if there is any claim (whether inside or outside Hong Kong) against him/her or any of his/her assets,

you and/or your indemnifier is/are obliged to notify the SFO in writing **immediately**. You are also required to procure and provide full particulars of an alternative indemnifier located in Hong Kong to replace the original one upon occurrence of the above circumstances. The alternative indemnifier (if accepted by the Government) shall act in substitution and shall execute similar 'Deed of Indemnity'.

19. In case of any breach of any of the terms and conditions of loan or late repayment of any instalment(s) due, the SFO has the power to demand you and/or your indemnifier(s) immediate repayment of all outstanding balance of the loan, interest, surcharge (if any) and any recovery expenses (including legal costs and related expenses in the course of legal recovery actions). SFO also has the power to withhold the consideration and processing of your other financial assistance/loan applications and/or various applications relating to loan repayment under different financial assistance/loan schemes administered by the SFO; and to demand you and/or your indemnifier(s) immediate repayment of all outstanding balance of loan(s), interest (if any), overdue interest (if any) / surcharge (if any), administrative fee (if any) and any recovery expenses in relation to other course(s) taken by you notwithstanding that they have not become due under the terms of such loan(s).
20. If you have difficulties in repaying the FASP loan due to further full-time study, financial hardship or serious illness, you may apply for deferment of loan repayment. For deferment of loan repayment on the grounds of financial hardship or serious illness, in case you have not opted for the standard repayment period of 15 years, the repayment period of your loan will initially be extended to 15 years for calculation when your application is being processed. The SFO will consider each application on its own merits. Application for deferment of loan repayment should be submitted in writing, together with the necessary documentary proof, to the SFO before the due date(s) of the instalment(s) under application. For application by fax or by email, the date of receipt of the fax or email will be considered to be the date of application. For application by mail, the postmark date on the envelope will be regarded as the date of application. You may download the application form concerned from the WFSFAA website at <https://www.wfsfaa.gov.hk/sfo/en/postsecondary/fasp/loanrepayment/difficulties/forms.htm>. Application for deferment of loan repayment is only applicable to the total amount due for repayment, which may comprise interest(s) and outstanding principal(s). Application for deferment of only a part of the repayment amount will not be acceded to.
21. To alleviate the financial burden of loan borrowers with proven repayment difficulties, loan borrowers whose application for deferment has been approved may be eligible for extension of the entire loan repayment period, subject to a maximum of two years (i.e. the entire repayment period will be up to 17 years). Interest will not accrue over the period of deferment. The deferred loan may be repaid on a revised repayment schedule with fewer numbers of instalments and at a larger amount or on any other terms as decided by the SFO.