

Information Notes on Repayment of Loan under the TSFS

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 of the following year of your graduation. If you have not received the notice of commencement of repayment and/or demand of repayment within 6 months after your graduation or the course has officially ended, you should notify the SFO in writing immediately.
2. 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. Whereas if as determined appropriate by the SFO, the loan borrowed and the interest accrued thereon are repayable within the Repayment Period by equal quarterly instalments.
3. If you cease to be registered as a full-time student or withdraw or are suspended from or defer your studies in the course or you 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, and also interest to accrue on the loan at the rate of 1% per annum. The length of the loan Repayment Period, its commencement date, and repayment arrangements shall be decided by the SFO.
4. Monthly repayment instalments will normally fall due on 1st of each calendar month each year. Monthly demand note will be issued 14 days before each due date as far as practicable in electronic form. If you do not receive demand note 7 days before each due date, you should contact the SFO without delay.
5. Non-receipt of demand notes or electronic notifications for repayment does not exempt you from the obligation to repay the instalment due on or before the due date; if the repayment is not made on or before the date the instalment becomes due, you will be required to repay with the Government of the Hong Kong Special Administrative Region ('Government') the amount of the overdue instalment together with a surcharge as set out in paragraph 10 below.
6. Within the Repayment Period, you can request to change the Repayment Period. The request should be put up 14 days before the due date of the upcoming instalment 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 extension or shortening of Repayment Period will be postponed accordingly. Request could be made in writing by post, fax or email. Verbal request will not be accepted. For request by post, the postmark date on the envelope will be regarded as the date of request. Underpaid mail items will not be accepted. Please ensure your mail items bear sufficient postage before posting. For request by fax or email, the date of the fax or email received by the SFO will be regarded as the date of request. You have to repay your instalments according to the original repayment schedule until the revised repayment schedule takes effect.
7. 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 referring to the repayment calculator made available in the "SFO E-link" at <https://e-link.wfsfaa.gov.hk>.
8. Interest of each monthly instalment is the interest accrued for the month immediately preceding the instalment due date.
9. Each instalment amount (instalment loan principal and instalment interest) shall not be less than \$100.
10. 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%.
11. With a view to facilitating better financial management of loan borrowers, loan borrowers who have obtained TSFS loans and without any loan accounts repaying with quarterly repayment arrangement under different financial assistance/loan schemes administered by the SFO are required to repay their TSFS loans by monthly instalments. In case you have loan accounts repaying with quarterly repayment arrangement under different financial assistance/loan schemes, the above monthly repayment arrangement will not be applicable until further announcement by the SFO. Meanwhile, the quarterly repayment arrangement will be applicable to all of your loan accounts under different financial assistance/loan schemes.

12. If you wish to make early repayment of the loan, a request should be put up in writing by post, fax, email or via the "SFO E-link" (<https://e-link.wfsfaa.gov.hk>). Verbal request will not be accepted. For request by post, the postmark date on the envelope will be regarded as the date of request. Underpaid mail items will not be accepted. Please ensure your mail items bear sufficient postage before posting. 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. Normally you have to settle the early lump sum or partial repayment demand note in full within 14 days from the issue date of the concerned demand note. If you fail to repay the early lump sum or partial repayment demand note when it becomes due, surcharge incurred due to such late repayment shall be calculated in the same way as set out in paragraph 10 above.

- (i) For early lump sum repayment of the loan, the repayment amount shall include all outstanding principal, interest and surcharge (if any).
- (ii) For early partial repayment of the loan, the repayment amount shall not be less than an amount decided by the SFO (currently set at HK\$5,000) or the total of one repayment instalment, whichever is greater.
- (iii) Interest of early repayment is calculated as follows:

Loan Account Status	Early lump sum repayment	Early partial repayment
Before commencement of repayment	Interest will not be charged	Interest will not be charged
During the repayment period	Interest will be charged up to the preceding day of the date of request	Interest will be charged up to the preceding day of the due date of the forthcoming instalment

- (iv) You are advised to submit a request for early repayment of loan after careful consideration. 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 partial/ lump sum repayment demand note, cancellation request to ask for refund of the sum of early partial/ lump sum repayment will not be accepted.

13. 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.

14. For repayment by post, the postmark date will be regarded as the repayment date for the purpose of charging the surcharge. Underpaid mail items will not be accepted. Please ensure your mail items bear sufficient postage before posting. For repayment via internet online banking payment services, the actual date the bank effects its payment will be regarded as the repayment date for the purpose of charging surcharge.

15. 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.

16. Loan borrowers are required to make repayments on time. If you plan to leave Hong Kong on or before the repayment due date, you are required to make prior repayment arrangement before leaving Hong Kong. If you intend to leave Hong Kong for a period longer than 3 months or to emigrate, you are required to notify the SFO immediately. 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, surcharge (if any) and recovery expenses. Under whatever circumstances, you have to repay the instalment due on or before the due date; if the repayment is not made before the instalment becomes due, surcharge incurred due to such late repayment shall be calculated in the same way as set out in paragraph 10 above.

17. If you are bankrupt, and/or have applied for IVA, and/or are aware that legal proceeding(s) has/have been started (or are pending or being threatened) against you for your bankruptcy or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer over any or all of your assets, you are obliged to notify the SFO in writing immediately.

18. You and your indemnifier are required to notify the SFO immediately in writing of any change of your or your Indemnifier's correspondence address or other contact information, including mobile number, email address or fax number. For any changes in correspondence address, you are required to provide together with a copy of documentary evidence showing your address in the past 3 months. Documentary evidence of address should be letters issued by government bureaux/departments, public organisations/utilities or commercial organisations. If necessary, you may be required to produce the documentary evidence in originals. You should use the amendment form [TSFS/IDM/INFO/E] for change of indemnifier's personal particulars. The amendment form can be downloaded from the SFO website at http://www.wfsfaa.gov.hk/sfo/pdf/common/Form/tsfs/TSFS_IDM_INFO_E.pdf.
19. You are required to procure immediately or otherwise upon the first repayment notification of the SFO another 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 3 months or to emigrate or has already emigrated failing which the SFO reserves the right to demand you to repay all outstanding balance of the loan, interest and surcharge (if any).
20. If your Indemnifier after signing the Deed becomes incapable of fulfilling the obligations required under the Deed; or deceased; or if 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 your Indemnifier applies for IVA; or you are aware that a receiver, administrator, administrative receiver, trustee or similar officer has been appointed over any or all of your Indemnifier's assets; or your Indemnifier 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 after he / she signs the Deed; 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 qualified Indemnifier located in Hong Kong and acceptable to the SFO 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.
21. If you have obtained loans for different courses, or for the same Course under different loan schemes administered by the SFO, separate loan accounts will be created under the respective loan scheme. Interest and administrative fee (if applicable) will be calculated separately for each account. Request for merging loan accounts will not be accepted.
22. In case of any breach of any of the terms and conditions of loan or late repayment of any instalment due, the SFO reserves the right to demand you and/or your Indemnifier(s) to repay all outstanding balance of the loan, interest and surcharge (if any) and any recovery costs (including legal costs and related expenses in the course of legal recovery actions). The SFO reserves the right to also withhold the consideration and processing of your other financial assistance applications and/ or repayment applications under different financial assistance schemes administered by the SFO.
23. Terms and conditions applicable to the repayment of TSFS grant and/or loan may be altered and supplemented at any time by the SFO and shall be deemed incorporated and form part of the terms and conditions. The altered version will be uploaded to the website of the SFO and/or sent to your last address notified to the SFO.