

Frequently Asked Questions on Resumption of Repayment and Interest Accrual of Government Loans

1. Why are borrowers not notified about the resumption of the repayment and interest?

The Ministry had earlier announced on 28 May 2021 that the suspension of the repayment and interest accrual of government loans would be extended until 30 September 2021, and as such loan repayment and interest would resume from 1 October 2021. The banks or IHLs had also sent notification to inform affected borrowers of the suspension till 30 September 2021. Nevertheless, borrowers will also be notified by their institutions or agent banks of the resumption separately.

2. What about non-government loans?

The resumption of interest accrual and repayment will also apply to non-MOE funded loans that is administered by DBS Bank such as the NTU Cornell CNI Study Loan, Yale-NUS College Study Loans and the Notebook Computer Loans (CL) with National University of Singapore, Nanyang Polytechnic, Ngee Ann Polytechnic and Singapore Polytechnic.

3. I have graduated during the suspension period. Do I need to start my loan repayment from 1 October 2021?

You can start your loan repayment from 1 October 2021 if you wish to do so. Nevertheless, in line with the usual repayment grace period, polytechnic graduates on Tuition Fee Loan will have up to 1 year from date of graduation to commence their loan repayment, while AU graduates will have up to 2 years to do so, without incurring any late payment interest charges. AU and polytechnic graduates on Study Loan will have up to six months after graduation to commence their repayment without incurring any late payment interest charges. Standard interest will still accrue on all outstanding loans from 1 October 2021. The grace period for the commencement of loan repayment will start from the date of graduation and are not extended by the suspension period.

4. For repayments and interest accrual that have been deferred earlier based on appeals before the suspension period, will the repayment and interest also commence on 1 October 2021?

If the deferment period for repayment and/or interest accrual ends during the extended suspension period (i.e. before 30 September 2021), the repayment and interest accrual will commence from 1 October 2021. Otherwise, your repayment and/or interest will

commence only after your deferment period is over.

5. How should I go about repaying my loans with the resumption of repayment and interest?

Borrowers who are already repaying their loans via GIRO before the loan suspension will have their existing GIRO arrangement with the banks reactivated from 1 October 2021. No further action is needed from you.

For those who have yet to make arrangements on the repayment, please make the necessary repayment arrangements before 1 October 2021. Kindly refer to go.dbs.com/sg-studentloanrepayment for repayment options.

Late payment interest charges will be imposed if loan repayments due are not received after the end of the suspension period or grace period, whichever is later. If you are unable to make a lump sum repayment of the full outstanding loan amount, you may opt to repay the loan via monthly instalments of at least \$100 per loan. Once you opt to repay via instalment payments, you will not incur late payment interest charges if you make regular and prompt repayments. Standard interest will continue to accrue as long as there are still outstanding loan amounts.

6. How will this affect the maximum loan repayment period?

For those who have already graduated, or will be graduating before the end of the suspension period (i.e. before 1 October 2021), the maximum loan repayment period will be extended by four months. This is in addition to the one-year extension to the maximum repayment period under the initial suspension. For students who are expected to graduate only after the suspension period, there will be no extension to the maximum repayment period.

7. Understand that the repayment and interest accrual for overdue repayments accrued before 1 Jun 2020 would have been suspended during the initial suspension period of 1 June 2020 to 31 May 2021. Would this continue to be the case given the extension till 30 Sep 2021?

Yes. All repayments and interest (standard and penalty interest) accrued before 1 Jun 2020 will now be suspended till 30 Sep 2021.