

Tuition Fee Loan Repayment Information

When will Interest be applied, what is the Interest rate for loans and is it fixed?

The interest rate for the Department's student loans is currently Bank of England base rate plus 2% and interest will be added on 30th June every year after you complete your studies. Prior to 2018 the interest rate was 5%.

Above the 9% rate earnings threshold – who contacts who?

Under the covenants within the loan agreement it is the responsibility of the student to notify us of relevant changes in circumstances including your earnings and current address (clauses 9.3 & 9.2 of the loan agreement, respectively).

When are loans repayable?

For the current Education (Student Awards) Regulations 2019 minimum repayments will become due on 1st July of the year after you finish studying, subject to your gross annual income being a minimum of £25,000. If your income does not reach that amount then the loan will not be repayable at that time however the legal obligation to repay the loan will be carried into the future and becomes repayable once your earnings exceed £25,000. Please be aware that interest will be applied on 30th June every year, even if there are no minimum repayment to be made that year, until the entire debt is repaid.

When do I make repayments?

Voluntary repayments can be made at any time and some students do start making repayments early to reduce the overall debt amount and to minimise future interest which will accrue on the debt.

How do I make repayments?

The balance can be paid in full or by instalments (in sterling) and can be made via:-

- **Department account: 13063790, Sort code: 55-91-00**
- **Address: Isle of Man Bank, 2 Athol Street, Douglas, Isle of Man IM99 1AN**

When making payments please quote the Loan Agreement number on the cover page of your Loan Statement and your Surname. If you do not have your Loan Agreement number please contact SAloanrepayments@doe.gov.im

Please be aware that payments can take over a month to clear and show on our records.

You should be aware that the Isle of Man Student Awards Loans Debt can only be repaid directly to the IOM Government. We have no agreements in place for any other countries to take payments on our behalf. If you are repaying a Loan through any means other than directly to the IOM bank account details above, you should stop immediately and start to reclaim any monies that you have already paid.

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How do I know how much I owe/must repay?

All Students who have taken a Loan will be sent 2 Loan Statements a year. The first will be sent around January and the second will be sent around July/August.

How do I know my Loan Debt is fully repaid?

Once a Student's Tuition Fee Loan has been fully repaid a Closed Account Loan Statement will be sent out a month after the student's final payment has cleared our systems.

Default & enforcement

The loan agreement remains in force until it has been paid in full, including any accrued interest.

If you fail to repay your Tuition Fee Loan/any part of it due for repayment, you will be in default of the loan agreement and the Department will take appropriate legal action to recover overdue amounts.

Please note that this is a general advisory document designed to address the most common questions raised by students with the Student Awards Team and may not cover all aspects and legalities of the loan provision/repayment process. For more detailed information please refer to the Department's website pages, the Education (Student Awards) Regulations 2019 – or your individual loan agreement document.

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