

# **Allocation rules 2020-2021**

**With explanations and examples**

**Icelandic Student Loan Fund  
2020**



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# Chapter 1 – Studies eligible for a loan

## 1.1 General

Both students and payers are responsible for supplying the Fund with the correct contact details of the relevant person, e.g. email address, home address and telephone number.

Applicants are obliged to report all changes in their personal circumstances which could have a bearing on the granting study support, e.g. altered family circumstances, changes in financial circumstances, changes in home and e-mail address, mobile telephone number and programme of study. Among other things, the Fund must be informed if a student marries or enters into a registered partnership. Students shall also submit to the Fund any documentation the Fund may request in connection with their loan applications or the postponement of closing bonds.

After the completion of studies, all communications with the borrower will be through his or her email address unless otherwise specified by the borrower. **The borrower is responsible for ensuring that the Fund has the correct information on his email.**

## 1.2. Supplementary documents and deadlines

Supporting documents which the customers of the Fund must return in connection with their applications, whether they are a loan application, an exemption, postponement or for other reasons, shall be submitted to the Fund no later than one month after the application period expires. Otherwise it may be assumed that the customer has withdrawn his or her application and thereupon, the Fund may revoke it.

## 1.3 Applications for student loans

### 1.3.1 Electronic applications

An application for a loan is made electronically through the homepage "Mitt Lån" which is accessible at [www.menntasjodur.is](http://www.menntasjodur.is) or island.is.

### 1.3.2 Applications and periods of validity

Applications for student loans shall be submitted for each year of support. The deadlines are as follows:

Autumn 2020:	until 1 September 2020
Spring 2021:	until 5 January 2021
Summer 2021	until 1 June 2021

### **1.3.3 Loan schedule**

The applicant will receive a draft loan schedule from the Fund based on information submitted, e.g. his or her income and family status. After examining the loan schedule, the student must inform the Fund if the information on which it is based is incorrect.

If it is revealed that a loan schedule is based on misleading information, errors or incorrect premises in terms of the allocation rules for the year of study for which a loan is applied for, the loan schedule will be amended to bring it into line with those rules.

### **1.3 4 Representative**

If a customer of the Fund considers it necessary he or she can request to have representative on his or her behalf. The representative has the power of attorney to take care of matters concerning the borrower on his or her behalf and permission to receive information on the borrower. The representative is responsible for supplying the Icelandic Student Loan Fund with the correct address and email address of the representative.

### **1.3.5 Payment of Membership Fees**

The Fund collects for the membership to Association of Icelandic Students Abroad (SÍNE) if the student requests this. The membership fee is subtracted from the student loan.

## **1.4 Student eligibility for loans**

A precondition for assistance from the Fund is that the applicant is financially competent in the semester which a student loan is applied for.

The studies of the borrower must qualify for a loan, cf. Chapter 2, And the student must fulfil the minimum requirements for academic progress, cf. Chapter 3.

A student cannot obtain a loan from the Fund if he or she receives study grants from another country at the same time.

A student who is receiving a study grant according to the law on study grants no. 79/2003 does not have the right to a student loan in the term in which receives the grant.

In order that a student can be considered eligible for a loan from the Fund he or she must not be in default with the Fund when the application for a loan is made.

If a student intentionally gives the Fund incorrect or misleading information, all assistance to him shall be discontinued and any assistance which he may have received already on the basis of such information, the student will have to repay the amount along with accrued indexation adjustment and associated costs. This shall also apply if it is considered that the student has made false statements about income, according to the Fund's definition of income, when the relevant taxation year is over.

## **1.5 Right to assistance due to studies in Iceland**

A student applying for a student loan to study in Iceland must, along with the conditions in Article 1.4, fulfil one of the requirements laid down in Articles 1.5.1-1.5.6. The Fund reserves the right to request that the applicant submit authorised confirmation regarding the basis on which his or her application for a student loan is made.

In this chapter, the term family members means spouse, descendant and/or descendants of the spouse if the descendant is below 21 years of age and also his or her relatives or spouse in direct lineage who are supported by him/her.

### **1.5.1 Rights of Icelandic and Nordic students**

Nationals of Iceland and the Nordic countries have the right to receive study aid in order to study in Iceland.

### **1.5.2 Rights of nationals of EEA and EFTA states who are wage earners / self-employed and their dependants**

Rights of nationals of the EEA and EFTA states who are wage earners / self-employed and who maintain their standing as such, as well as their dependants, have the right to receive maintenance support to study in Iceland. Generally, the work volume of the national should be no less than 40 hours per month during is or his or her or her dependant's study and he or she shall submit a monthly copy of his or her pay slip into the data file „Mitt Lán“.

A national of EEA or EFTA states who is no longer a wage earner or self-employed maintains his or her status as such in the following situations:

- a. While he or she is temporarily unfit for work due to illness or accident.
- b. he or she confirms that is unemployed involuntarily after having worked in a paid job for more than one year and is actively looking for work according to the Act on Employment Insurance,
- c. he or she confirms that he or she is unemployed unwillingly after the completion of an employment contract lasting for less than one year, or that he or she has unwillingly lost his or her job



during that period and is also actively looking for work according to the Act on unemployment insurance. In that case he or she should keep this status as an employee for at least six months,

- d. If he starts an internship,
- e. If the student is unemployed on his own initiative, he or she shall only maintain his or her status as an employee if the internship is connected with his or her former job.

### **1.5.3 Rights of nationals of the EEA and EFTA-states who have received rights to an unlimited residence permit in this country, and their dependants**

A national of an EEA or EFTA-state who receives permission for indefinite residence in this country as well as his or her dependants shall have a right to maintenance support to study in Iceland.

### **1.5.4 Rights of other foreign nationals**

A foreign national married to or has for two years been cohabiting with an Icelandic national and has had his or her legal domicile in Iceland for a minimum of two years out of the last five years previous to commencing his or her studies has a right to receive maintenance support to study in Iceland.

### **1.5.5 Rights of refugees**

A foreign national who has obtained a residence permit in this country as a refugee on the basis of international protection has the right to receive maintenance support to study in Iceland. Along with this application, the refugee must submit a confirmation from the Directorate of Immigration about his or her status.

### **1.5.6 Rights of foreign nationals with unlimited residence permit in Iceland**

A foreign national who has received an unlimited residence permit in Iceland has the right to receive maintenance support to study in Iceland.

## 1.6 Right to assistance for studies abroad

### 1.6.1 General

A student applying for a loan to study abroad must fulfil all of the following requirements:

1. general requirements according to Article 1.4.
2. One of the requirements appearing in Articles 1.5.1 – 1.5.6 and
3. has lived in Iceland for at least two of the five years preceding the beginning of studies and has strong ties into Icelandic society, in the estimation of the Student Loan Fund.

A national of an EEA- EFTA-state and his or her family member is exempt from the requirements of living in Iceland for two of the last five years because of studies in an EEA or EFTA-state.

## Chapter 2 – Studies eligible for loans

### 2.1 General

The Fund grants student loans for higher educational courses at recognized educational institutions which provide higher education leading to university degrees. The Fund may grant student loans for practical and preparatory studies.

A course of study is considered to qualify for loans if it is organised as full-time study in the syllabus of an educational institution, 60 ECTS units of study ('ECTS' stands for 'European Credit Transfer and Accumulation System') or their equivalent in each academic year or at least 30 ECTS units each term in cases where the course structure does not cover a complete academic year. The registration at an educational institution is the condition determining whether or not the student is considered to be pursuing a course of study qualifying for a loan.

A student loan may be granted only for tuition fees for studies which are not organised as a 60 ECTS-units of study in the school year, cf. paragraph 2. However, the course must be organised as a minimum of 44 ECTS-units of study each school year, cf. Article 3.2.

A loan is not granted for studies which constitute a part of paid employment according to a contract of employment.

Loans are not granted for preparatory studies, nor for postgraduate studies following a doctorate degree or a comparable qualification.

Study at the upper secondary school level leading to a matriculation examination does not qualify for a loan from the Fund.

If a student has exhausted his or her quota for loans in a certain course of study or at a certain school level, cf. Article 3.1, then further studies at the appropriate course of study/school level do not qualify for a loan.

### 2.2 Studies in Iceland qualifying for a loan

#### 2.2.1 University courses

University courses and other courses which make requirements regarding preparatory study comparable to those made regarding university studies, qualify for loans. Courses at university level at the following institutions qualify for loans:

University of Iceland  
The University of Akureyri

Bifröst University  
The University of Hólar  
Reykjavík University  
The Agricultural University of Iceland  
Iceland University of the Arts

## **2.2.2 Preparatory studies in Iceland**

Preparatory studies for foreign university courses amounting to 60 standardised secondary-school units and are approved by the Minister qualify for loans. It does not matter whether the study takes place at a university or at an approved school at the secondary-school level, based on an agreement with an approved university.

## **2.2.3 Apprenticeship, internship and additional studies at a secondary school in Iceland**

Apprenticeship, internship and additional studies at upper secondary schools qualify for loans. The requirement is that the course of study has been approved by the Minister according to Act no. 92/2008 on upper secondary schools, that also meet the following conditions:

1. The study has been approved by the respective professional board as applicable,
2. the completion of studies is at least at the third level of achievement
3. comparable courses of study are not offered at the university level in Iceland.

## **2.3 Courses of study abroad which qualify for loans**

### **2.3.1 University Courses**

Loans are granted for studies at the university level at universities abroad if they have been verified by the educational authorities of the country and the studies are completed by an approved university level degree.

### **2.3.2 Preparatory studies abroad**

Preparatory studies abroad of up to 60 standardised secondary school units qualify for a loan if the schools offering the study are approved by the educational authorities of the country.

### **2.3.3 Apprenticeship, internship and additional studies at secondary schools abroad**

Loans may be granted for internships abroad, comparable to an internship or additional internship at a secondary school in Iceland. The requirement for the qualification for a loan is that the course of study is approved and is offered by a school which has been approved by the educational authorities of the country. The studies must also fulfil the same conditions as an internship qualifying for loans in Iceland, as appropriate, cf. Article 2.2.3, i.e. that the completion of studies is at least at the third level of competence and that comparable studies are not generally offered at the university level in Iceland.

### **2.3.4 Language courses as preparatory studies**

Loans may be granted for language courses if these constitute necessary preparation for studies that qualify for loans in a country where a language other than English or a Nordic language (except Finnish) is spoken. A loan for preparatory language studies is only awarded once. The maximum number of units for which loans are granted in accordance with this Article depends on the language involved, ranging from 30 to 90 ECTS-units.

If a borrower changes his or her country of study at the completion of his or her language studies, the application for support will be rejected (for support, travel and school fees as well as child support) for the same length of time as he enjoyed support for those studies. If a student has his or her language studies evaluated to shorten other studies, it will reduce the period of time during which the student does not qualify for study support.

The eligibility for a loan in preparatory language studies depends on whether it is a case of organised study which can be regarded as sufficient in terms of its nature and substance as determined by the board of the Fund (at least 15 hours of study per week).

Before a loan for preparatory studies in languages is processed, a confirmation of registration in qualifying studies in the same language area must be available.

## **2.4 Information about studies qualifying for loans**

The homepage of the Icelandic Student Loan Fund contains guidelines regarding schools and courses of study which have qualified for loans up to the present. If an application is made for a loan at a school for a course of study for which the Fund is not granted loans, the board of the Fund must evaluate whether the studies qualify for a loan. Then, a student must supply detailed information on the school and the course of study and return to the Fund no later than three months before the studies begin.

The Fund may at any time reconsider whether educational institutions and curricula qualify for loans from the Fund. The Fund may also request new documents confirming that a school or curriculum meets the Fund's requirements for loan-qualified curricula, whether Icelandic or foreign schools are involved. Even if the Fund rated an educational institution or curriculum as qualified for loans in the past, this is not a promise or guarantee that this will be so in the future.

## Chapter 3 – Academic progress

### 3.1 General

Generally, a student is considered as being in full-time studies if he completes 60 ECTS-units, or the equivalent in an academic year in one programme of study. If he student changes to a new educational institution, a new subject of study or a new academic degree, this shall constitute a new study programme.

In schools in a term system (with an autumn, spring and summer terms as applicable) a maximum loan is granted for 30 ECTS-units for each term and 20 ECTS-units for this summer term, a total of 80 ECTS-units for the school year. This is equivalent to support for 12 months. The minimum academic progress to qualify for a loan for individual terms is 22 ECTS-units in the autumn or spring terms but 15 ECTS-units for the summer term.

In schools in a quarterly term system (with an autumn, winter, spring and summer terms as applicable) a maximum loan is granted for 20 ECTS-units for each term and 20 ECTS-units for this summer term, a total of 80 ECTS-units for the school year. This is equivalent to support for 12 months. The minimum academic progress to receive a loan is 15 ECTS-units every term.

The total number of units for which loans are granted in individual courses of study shall take account of the structure of the academic institution approved by the board of the Fund. Only courses which lead to a final examination are taken into account; units assessed from previous studies are not counted as part of academic progress.

### 3.2 Units Qualifying for Loans

To be entitled to a loan for studies, a student must be registered for at least 22 ECTS units through the end of each term and complete at least 22 ECTS units or their equivalent each term, or 15 ECTS-units in schools with four terms in one academic course. Loans may only be granted for studies in two or more lines of study in the same term if the student is completing a basic university degree and has received permission from the school to begin his or her master studies in the same subject. The same applies when a student is requested by the school to take additional courses in a basic university degree course which qualifies for a loan, while pursuing a master's degree. This authorisation shall be subject to the condition that the student has not already fully utilised his or her allowance to utilise loans in accordance with Article 3.3.

A student who completes 22-30 ECTS units in a semester shall be entitled to a loan for the completed units i.e., up to 30 ECTS units,

Loans are granted only once in respect of each completed unit, except in studies where student number restrictions (*numerus clausus*) are in force cf. Article 3.4.1.

If a student's right to loans at a specified curriculum level is below the minimum requirement's for academic progress, the student may be granted a loan equalling his or her remaining unit rights, provided that the student completes at least 22 ECTS units per semester or 25 ECTS-units per term in four-term schools.

## 3.3 Right to Loans

Each student can receive loans for up to 480 ECTS units in all, subject to the restrictions resulting from the division of their rights to loans between levels of study. Further details about the division of division of rights to loans between levels of study are given in Articles 3.3.1 - 3.3.5. All maintenance support granted by the Icelandic Student Loan Fund is subtract from the unit rights of the student.

### 3.3.1 Basic studies

Students are entitled to receive loans for 180 ECTS units of basic studies. Basic studies are defined as preparatory studies, apprenticeship, additional studies and basic university studies, cf. Articles 2.2.1 - 2.2.3.

### 3.3.2 Master's degree studies

Students are entitled to receive loans for 120 ECTS units of basic studies. Additional employment-related university studies lasting up to one year which are not completed with a higher degree may be considered as studies at master's degree level.

### 3.3.3 Doctoral degree studies

Students are entitled to loans for 60 ECTS units of doctorate degree studies.

### 3.3.4 Common rights to additional loans

In addition, each student is entitled to a loan for an additional 120 ECTS units, at the undergraduate, master's or doctorate level, at his or her own choice.

### 3.3.5 Scope of older rules

A student shall enjoy the right on the length of his or her curriculum in accordance with Chapter 3.3 under the rules in force when he started the curriculum. A student's curriculum is deemed to start when the student achieves the minimal results for the curriculum and has an application at the Fund during the same academic year. Students who are engaged in their studies when Act no. 60/2020 on the Icelandic Student Loan Fund comes into force have a right to receive a loan according to the old laws for seven years



after the Act no. 60/2020 on the Icelandic Student Loan Fund becomes valid. This authorisation is cancelled if the student takes a break from studies for longer than one year.

## 3.4 Exemptions from requirements for academic progress

Students not fulfilling the Fund's conditions on minimum academic performance per semester or trimester, cf. Article 3.2 may apply for exemption due to circumstances listed in Articles 3.4.1 -3.4.7. When exemptions are granted on the basis of Articles 3.4.1 – 3.4.6 the student's loan entitlement to receive a loan will then be based on the minimum number of units, i.e 22 ECTS-units per semester in three-semester schools or 15 ECTS-units per semester in four-semester schools. The units obtained by the student due to a greater leeway in his or her studies will be subtracted for the unit rights of this student as well as the completed units by the student, cf. Article. 3.3.

The Fund reserves the right to request that the Fund's consulting physician at any given time obtains information from the medical practitioners conceded regarding medical certificates submitted and to comment on their contents. If such information is not given, the Fund may assume that a satisfactory application has not been submitted.

### 3.4.1 General

At the end of a school year (autumn or spring semester in three-semester schools and autumn, winter or spring semester in four-semester schools), an assessment is made of the total academic achievement in the school year. When a student does not achieve the necessary minimal achievement in each semester or trimester, the overall academic achievement for the school year may be taken into account and loans granted for individual semesters/trimesters, in accordance with accrued units completed if all of the following conditions are met:

1. The student applied for loans for all semesters or trimesters of the school year.
2. The total academic achievement in the school year must be at least 44 ECTS-units in three-term schools and 45 ECTS-units in four-term schools.
3. The student was registered for a curriculum of at least 22 ECTS units each term in three-term schools or 15 ECTS-units for each term in four-term schools until the end of the term.

Loans are never granted for more than 30 ECTS-units in a single semester or 20 ECTS-units in trimestral schools.

If he student changes to a new educational institution, a new subject of study or a new academic degree, this shall constitute a new study programme.

A student who completes more than 30 ECTS-units in a semester shall be entitled to utilise the extra units in another semester in the same school year, or transfer the extra units to later school years in the same course of study, providing that he fulfils the minimum requirements for academic achievement in that semester, cf. Article 3.2.

If the student loses his or her right to units that he has previously earned, and receives a loan to complete that course of study, he shall be considered to be in debt for the number of units to which he has lost the right, and this debt shall be subtracted from the completed units before his or her loan rights have been assessed. However, unit debts that are more than ten years old shall not be counted in.

In studies where there is a numerus clausus, a student who has returned satisfactory results in the first semester but was not able to pass the cut in the course due to regulations on numerus clausus may be granted a loan to repeat the term.

If a student has received a loan as an exchange student (e.g. in the Erasmus or Nordplus-programs) and the units in the course are not counted as being fully valid towards a degree, an exemption may be made from Article 3.1 in the final term of study and to approve a loan for additional units over and above the maximum number of units for the course, according to the organisation of the school. This exemption permits granting a loan for 22 ECTS units per semester in semestral schools and 15 ECTS units per term in trimestral schools if the student completes at least the minimal number of units.

### **3.4.2 Assessment of diligence**

A loan may be made on the receipt of a statement of the student's diligence in cases where the student takes examinations only once a year or at longer intervals. In such cases, loans are then made in accordance with the academic progress assessed in the statement. Loans may be granted for 30 ECTS-units if it is stated clearly in the assessment that the student has been engaged in full-time studies. When the results for the year of study are available, the academic progress will be reviewed. If it then turns out that the academic progress has not been sufficient during the school year, the study support already granted will be debited by that amount.

### **3.4.3 Illness**

The requirement for additional latitude in accordance with this Article is that the student has already shown sufficient academic progress in a course of study qualifying for or that he or she shows satisfactory achievement in the semester following the period in which the student needs the additional latitude.

When assessing the academic progress of the student it may be taken into consideration a student becomes ill in the study period. In that case up to 6 ECTS-units may be added in semester schools and 4 ECTS in trimester schools to completed units so that is loan entitlement is based on the minimum amount of units, cf. Article 3.4. If a student becomes ill during the second half of a semester or in the examinations, up to 22 ECTS-units may be added in semester schools and 15 ECTS-units in trimester schools so that his or her loan entitlement will be based on the minimum number of units, cf. Article 3.4.

In cases when a student must discontinue his or her studies due to illness, a proportional loan may be granted for the time when the student pursued his or her studies and this is confirmed by the school authorities, up to 22 ECTS-units in semester schools and 15 ECTS-units in trimester schools. In case the student has paid tuition fees for the period and does not get them refunded from the school (as confirmed by that school), it will not be required to repay the loan for tuition fees.

This exemption may also apply if the spouse, child or parents of the student must go to hospital or similar care due to an illness and this has seriously upset the situation of the student.

The condition for exemption due to illness is that the student submits a medical certificate clearly stating when the doctor was consulted and during what time the student was incapable of work due to illness as assessed by the medical doctor. The condition for exemption due to illness of a spouse, child or parents is that the student submits a medical certificate clearly stating when the doctor was consulted and also confirming that this was a case of serious illness and when patient care was needed. Similarly, the death of members of the student's close family may be taken into account in the evaluation of academic progress. The student's immediate family consist of the student' s spouse, children and parents and the student' s siblings and their children.

A student who has been granted an exemption due to illness but has returned fewer than 16 ECTS-units in semester schools and 10 ECTS-units in trimester schools **does not** have the right to have his or her illness taken into account again and until he or she has achieved the academic progress that was missing in order to complete the above 16 ECTS-units in semester schools and 10 ECTS-units trimester schools.

#### 3.4.4 Childbirth

The condition for qualifying for additional latitude in accordance with this Article is that the student shall previously have earned satisfactory academic progress in a course of study eligible for a loan during the last 12 months before he or she needs the latitude or if he or she achieves satisfactory academic progress in the next following semester.

If a student has a baby during the period of study, up to 16 ECTS-units in semester schools and 10 ECTS-units quarter-based schools may be added to the number of units completed when the loan is calculated, the student's loan entitlement then being based on the minimum number of units, cf. Article 3.4. However, a mother may have the right to additional leeway of up to 3 months before the child is born due to illness in pregnancy. A birth certificate/medical certificate must be submitted in that case. A student made use this leeway in any way until the child is 12 months old.

The condition for his exemption is that the student has custody of the child and that the child's legal residence is with him/her or lives with him/her during the period of study. The accumulated additional leeway of both parents for having children shall not be higher than 16 ECTS-units in semester schools and 10 ECTS-units in quarter-based schools.

### **3.4.5 Disability**

If, due to a disability, a student is unable to attain minimum academic achievement, cf. Article 3.2, up to 13 ECTS-units in semester schools and 8 ECTS-units in quarter-based schools may be added to completed units and then the right to a loan is based on his minimum number of units, cf. Article 3.4.

Conditions for an exemption from this Article is that an evaluation of the disability is available from a medical doctor stating that the disability of the person concerned is at least 75%. A special application for the above exemption must be made to the Fund. The application must be accompanied by a medical certificate.

### **3.4.6 Dyslexia and other specific learning disabilities**

If a student cannot show the required minimum academic progress due to dyslexia or other specific learning dysfunctions, cf. Article 2.2, up to 13 ECTS-units may be added in semester schools and 8 ECTS-units in quarter-system schools to the completed units and then his entitlement is based the minimum number of units, cf. Article 3.4.

The condition for the exemption according to this Article is that a certificate/assessment has been submitted confirming that the student is unable to fulfill the minimum academic requirement due to dyslexia or other specific learning disabilities, taking into account the latitude which the student is allowed to pursue his studies by his or her school, take examinations etc. A certificate to the same effect from the school must also be submitted. A special application for the above exemption must be made to the Fund.

### 3.4.7 The number of units completed under special circumstances and at the completion of studies

A student who is only able to pursue studies in units in 10 or 20 ECTS-units during a semester may receive a loan in direct proportion to the number of units he or she has completed, providing that he completes at least 20 ECTS-units. The condition for this exception is that the student is registered in a full-time programme of studies (30 ECTS units) until the end of the term.

In instances where a student **does not** achieve the minimal academic achievement (22 ECTS-units in semester schools and 15 ECTS in trimester schools) because of the organisation of the school or evaluation of previous studies may have a right to a loan in relation to the number of units which he or she completes, if the following conditions are fulfilled:

1. A student has the option of completing 15 - 21 ECTS-units per semester in a semester school or 10 - 14 ECTS-units in a trimester school
2. and that the student completes all the units of the semester which are on offer to him.

## Chapter 4 – Maintenance of students

### 4.1 General

A student's maintenance is divided into basic maintenance, cf. Article 4.2 and other maintenance based on the situation of the student, cf. Articles 4.3 – 4.6. The maintenance of children below 18 years of age supported by the student. Loans for medical insurance and travel expenses are additional to loans for the maintenance of the student. Income may be subtracted from these loans according to the provisions in Chapter 7.

### 4.2 Basic maintenance

Basic maintenance of students in Iceland and abroad is based on a student in full studies (60 ECTS-units in the school year) and:

ISK. 13,064 for each ECTS-unit or ISK 87,096 per month  
for a student living with parents.

ISK 16,847 for each ECTS-unit or ISK 112,312. per month for a student  
living in a rental or own accommodation.

### 4.3 Loans with relation to housing

Students may also qualify for additional loans to cover accommodation costs if they live in rented or their own accommodation. A student applying for such an additional loan shall demonstrate the payment of normal rent by submitting registered rent agreement or demonstrate ownership of an apartment by means of a certificate from the Land Registry of Iceland or a certificate of registration of ownership. To have a right for an additional loan for housing costs the rent must not be less than ISK 40,000 per month.

Students who **do not** live in rented or their own accommodation shall **not** be entitled to an additional loan to cover housing costs.

The amount of the additional loan to cover accommodation costs shall take account of the student' s family circumstances, i.e. his or her marital status and the number of children in the home, see the table below:

<b>Family conditions of student</b>	<b>Loan for accommodation ISK/ECTS</b>
Single	11,578
Cohabitation, no child	8,182
Cohabitation 1 child	9,571
Single, two or more children	10,344
Single, 1 child	19,142
Single, two or more children	20,687

## 4.4 grant and loan for children

A student has the right for a grant for the maintenance of a child below the age of 18, amounting to single child support per month if he or she meets the following conditions:

1. he or she has met the minimum requirements for academic progress, cf. Article 3.2 or is exempt from them, cf. Articles 3.4.1-3.4.7 and
2. the child's legal residence is with the borrower or the borrower is paying child support for the child.

The amount of the additional loan for each child dependent on the student's support shall be ISK 5,340 for each completed ECTS unit. A student shall be entitled to an additional loan to cover child maintenance payments of a child below the age of 18 and these payments can be confirmed. The amount of the grant for child maintenance payments shall be ISK 5,340 for each completed ECTS unit for each child for which the student demonstrably pays child support.

A student will not receive additional loans for a child or children unless they exercise custody over the child or pay child maintenance for the child. An additional grant for child maintenance and an additional loan in respect of child support payments for the same child may not be made to the same student. No payment is made because of one child than the double amount of child support. The Fund reserves the right to examine and request documents from the appropriate institutions about the custody of the child.

It should also be noted that a student must have the right to a loan at the level of study he or she is undertaking to qualify for a grant for the maintenance of a child.

If a borrower does not fulfil the requirements of this article, the child support awarded shall be changed into a loan.



## **4.5 Loans for travel expenses**

### **4.5.1. Travelling expenses of the student, spouse and children**

Loans for the travelling expenses of a student and his family are based on certain amounts which differ according to the country and region where the studies take place and are specified in Articles 4.5.2 and 4.5.3. If a spouse also applies for a student loan in the school year, the travelling expense loans for children are divided between both students.

### **4.5.2 Loans for travelling expenses to a place of study abroad**

Loans for travelling expenses to students, spouses and children to a place of study to Denmark, Norway and Sweden shall be ISK 45,000 per person and ISK 50,000 per person for students and their spouses elsewhere in Europe, ISK 65,000 in North-America and ISK 105,000 per individual for students and their spouses in other places. Loans for travelling expenses for children below the age of two are based on 10% of the above amounts. It is not necessary to submit evidence of the journey. Recipients of grants from Nordplus and Erasmus are not entitled to travel loans from the Icelandic Student Loan Fund.

Loans for travel expenses are granted once per school year.

### **4.5.3 Loans for travelling expenses to a place of study in Iceland**

Travel loans in connection with studies in Iceland shall be determined as follows when applying for student loans for during the academic year; for a student, spouse and children above the age of two ISK 25.000, but loans for the travel expenses are based on 10% of the above amount if a child is below the age of two. The precondition for students in Iceland qualifying for travel loans is that they must be domiciled at least 100 km from the metropolitan area or other location of the educational institution. It is not necessary for the student to submit evidence of the journey.

Loans for travel expenses are granted once per school year.

## 4.6 Cost-of-living bonus

Additional maintenance support (Cost-of-living bonus) may be awarded for the countries where there is a great difference between maintenance expenses in Iceland and the country in question.

Students studying in the following countries/cities qualify for a cost-of-living bonus:

<b>Country/city</b>	<b>month (ISK)</b>	<b>ECTS (ISK)</b>
USA A	104,615	15,692
USA B	14,958	2,244
London	21,605	3,241
Ireland	14,940	2,241
Rome	41,988	6,298
United Arab Emirates	121,295	18,194
Switzerland	53,346	8,002

## Chapter 5 – Loans for tuition fees

Loans for tuition fees, less non-taxable grants covering tuition fees, are made for basic studies ("basic studies" here refers to special studies and undergraduate (first degree) university studies), Master's studies and doctoral studies, cf. Article 3.3. Total amount attainable for tuition fees in all areas of study is ISK 3,900,000 for studies in Iceland but for studies abroad the amount is equivalent to EUR 40,000 based on the exchange rate on 1. June 2020, equalling ISK 6,058,000.

If a course of study is organised similar to medical studies, i.e. continuous studies for more than 5 years, an additional supplement may be added to the above tuition fee limit for disposal for years 5 and/or 6 of the course, up to EUR 12,000 based on the exchange rate on 1 June 2020 which is equivalent to ISK 1,817,400.

For those pursuing **basic** studies, the rule is that a loan for tuition fees for each year of study is never higher than 1/3 of the total amount of tuition fees in the country of study. Thus the maximum loan for tuition fees in basic studies is therefore ISK 1,300,000 but ISK 2,019,333 for basic studies abroad.

The amount for tuition fees in studies abroad shall be converted to ISK at the exchange rate on 1 June 2020.

If a borrower changes his country of study, the ratio of the maximum for tuition fees which he has already used out of the total maximum tuition fees is calculated and this ratio is applied in the next country of study when some room for a further tuition fee loan has been found.

Loans for tuition fees beyond the ISK 75,000 paid by the student are only granted if the student demonstrates this conclusively. The following expenses are not included in tuition fees: study trips or other trips, accommodation, meals, computers or other technical equipment, material costs or book costs and other comparable expenses. The Fund reserves the right to require an itemisation of tuition fees and, where appropriate, to subtract from the tuition fee loan all the expense items listed above before disbursing the tuition fee loan.

Tuition fee loans may only be granted for studies in a single academic course for each semester or term of the year of study. Furthermore, it is **not** normally permitted to grant tuition fee loans for courses taken outside a course of studies which the Icelandic Student Loan Fund has not approved as qualifying for a loan.

A student must show academic progress that is eligible for a loan according to Article 3.2 in order to have right to a tuition fee loan during the study period.

Tuition fee loans may be paid out at the beginning of term/semester. At no time shall a larger proportion of tuition fees be paid in advance at the beginning of a semester than is equivalent to full-time studies (30 ECTS units) during that semester.

The same rules apply to loan rights between study levels concerning how loan units are deducted from unit rights, cf. Article 3.3, even if a student only takes out a tuition fee loan.

The income of a student may influence the amount of loans for school fees, cf. Articles 4.3 and 4.4. It should also be noted that in order to qualify for a tuition fee loan, a student must have the right to a loan at the level of study he or she is undertaking.

If a tuition fee loan has already been paid to the student in a foreign currency then according to the older rules a calculation is made of what proportion he had previously used from the tuition-fee limit and this proportion is used again when the room may be found for a further tuition fee loan.

## Chapter 6 – Other loans

### 6.1 Loans to due to disruption in the status and situation of a student

In the event of an unforeseeable disruption of the student's personal circumstances which is not covered in another way in these rules, a student may be granted an additional loan corresponding to support for up to 7 ECTS units.

A student may be granted a special loan under this Article to cover additional travel if he has to go home at short notice because of a serious illness or death in his immediate family. Detailed information shall be presented regarding the reasons for the journey, together with the appropriate medical certificate or death certificate. For the purposes of this rule, immediate family shall be considered to be the student's spouse, children and parents and the student's siblings and their children. If such a supplementary loan is granted it is paid out together with a support loan, cf. Article 4.5.1.

### 6.2 Loans for medical insurance

Students paying high premiums for medical insurance can apply for a loan to meet that cost. The maximum support loan for medical insurance is ISK 350,000 each school year. The reference rate of exchange is 1 June 2020. Loans may be granted to pay reasonable expenses in connection with pre- and post-natal care abroad if it is clear that neither the student's insurer nor the appropriate local authority in Iceland will cover any of the cost. Loans may also be granted during the study period to pay travel expenses if a pregnant student or student's spouse chooses to have her child in Iceland because of the excessive cost abroad. Medical expenses which the Icelandic State Social Security Institute has turned down will not be taken into account.

### 6.3 Loans to students living with guardians of small means

A student living with his parents, may be granted an additional loan for his or her accommodation as if in a rental or own accommodation, if the income of his parents, or single parent and partner, as applicable, is below the reference level. The reference level for this purpose amount to ISK 4,470,000 in the case of a single parent or ISK 8,940,000 in the case of married couples or cohabiting partners, cf. Article 4.2.2.

## 6.4 Loans for Spouses

The circumstances causing an increase the maintenance costs of a student who is married/in a registered cohabitation partnership include the following:

1. Illness or disability of the spouse according to a medical certificate verifying that the spouse is completely unfit for work.
2. The student and spouse have a chronically ill or disabled child whom they support and the spouse does not work in paid employment outside the home in order to care for the child. A condition for this is that the child must be legally domiciled with the student and spouse, and that a medical certificate be produced.
3. The student and spouse are resident abroad and have a dependent child, and the spouse does not qualify for a work permit in the country where studies are pursued.

If a loan is granted due to a spouse then 50% of the maintenance amount of the student is paid. The income of a spouse will be subtracted from the loan, cf. Articles 4.3.1 and 4.3.2.

A loan is not granted for a spouse if the he or she is a borrower in the same semester.

The Fund's consulting physician may be requested to obtain information from the doctor in question about medical certificates that have been submitted and to comment on their contents. If such information **is not** made available, the Fund may take the view that a satisfactory application has **not** been submitted.

## Chapter 7 – Income

### 7.1 income and study grants

The income of a student or spouse (if an application is made for a spouse loan) in the year 2020 as they are defined by the Board of the Fund, may affect the assistance granted during the school year. If a student pursues studies abroad, his income is calculated on the basis of the exchange rate of his country of study on 1 June 2020.

Taxable student grants, research grants and payments for teaching, e.g. teaching assistantships and "utbildningsbidrag", shall be considered income.

Grants made by Nordplus and Erasmus and other comparable student exchange organisations are not deducted from a student loan.

### 7.2 Deductions from Income

#### 7.2.1 Income threshold

The income threshold of a student is ISK 1,364,000 in 2020. If the income of a student is higher than the income threshold, 45% of his or her extra income will be deducted from the student loan. If loans are granted for a spouse, the joint income threshold is increased to ISK 2,046,000 and 45% of the joint extra income of the student and his or her spouse in 2020 will be deducted from the student loan.

Due to special circumstances in the country in the year of 2020, the income threshold for a student coming from the work market may be multiplied by five if it is demonstrated that he has not been enrolled in studies in the last the last 6 months. The Fund reserves the right to request confirming documentation for this.

The deduction due to income shall be divided equally among the 60 ECTS-units.

#### 7.2.2 Other deductions

In addition to an income threshold may cause further deductions from the income of a student:

1. university tuition fees for which the students do not receive a loan because they have exhausted their rights to a tuition-fee rights according to chapter 5, and
2. fixed repayments of a student loan which comes due and is paid during the assistance period

## 7.3 The students' obligation to declare his or her income

### 7.3.1 Income plan

When a student applies for study assistance from the Fund he is obliged to estimate his income (and his or her spouse if a loan for a spouse is applied for) in 2020. This income information is used to calculate the loan amount and probable payouts.

### 7.3.2 The final income plan

Before the settlement of the autumn term 2020 takes place and monthly repayments for the spring term of 2021 begin, all applicants must prepare a new income plan about their earned income in 2020. The Fund reserves the right to change an incomplete income plan on the basis of information on the income of the person with reference to the pay-as-you-earn tax list of the Commissioner of Inland Revenue.

### 7.3.3 Tax return

The Fund may request verified income information (a tax return) from all applicants for the income of 2020 before the final settlement of the school year takes place after the spring semester of 2021.

#### 7.3.3.1 Icelandic tax return

The Fund will obtain the tax information from the Commissioner of the Inland Revenue for all applicants of the school year 2020-2021 who are due to pay taxes in Iceland for the year 2020. If it turns out later that there is a difference in income between the submitted tax return and confirmed one (local tax register) the lending plan of the person will be recalculated based on new information on his or her income.

#### 7.3.3.2 Tax returns from other Nordic countries

Students from other Nordic countries must submit confirmed information on their income for 2020 in their country of residence (the country where they study). In Denmark „årsopgørelse“, in Norway „skatteoppgjør“ and in Sweden „slutlig skatt“. This is independent from whether or not the person is also a tax payer in Iceland.

#### 7.3.3.3 Tax returns in other countries

Students in other countries who are not obliged to pay taxes in Iceland for 2020 must return confirmed income information for 2020 from his or her country of residence.



# Chapter 8 – Payment of student loans and overpaid loans

## 8.1 Payment of student loans

### 8.1 1 Payment of student loans

The calculation of student loans and the publication of loan schedules for the academic year 2020-2021 shall commence in July/August 2020.

Payments of monthly maintenance loans to students requesting immediate payments begin at the following times:

#### **Semester type schools**

Autumn semester	–	1 October 2020
Spring semester	–	1 February 2021
Summer semester	–	1 June 2021

#### **Quarter-based schools**

Autumn semester	–	1 November 2020
Winter semester	-	1 February 2021
Spring semester	-	1 May 2021
Summer semester	-	1 August 2021

The condition for monthly payments to begin in the later semesters of the school year is that previous semesters have been completed with regard to academic progress, cf. Article 3.2 and/or repayments due do overpayment have been settled, cf. Article 8.2.1.

Borrowers sign a bond electronically for each payment of the loan.

The payment of monthly maintenance loans to students requesting immediate payments begins at the following times:

Autumn semester	–	1 August 2020
Spring semester	-	5 January 2021
Summer semester	-	15 May 2021

At no time shall a larger proportion of tuition fees be paid out in advance at the beginning of a semester than is equivalent to full-time studies (30 ECTS units) during that semester, or a comparable number of units in trimester schools (20 ECTS-units). This may be reviewed when information on the student's academic progress is available during the settlement of the loan for that semester or trimester.

Payments of maintenance loans two students requesting them to be paid after each semester begin on the following times:

Autumn semester  
Spring semester  
Summer semester

beginning of January 2021  
beginning of May 2021  
beginning of August 2021

The condition is that the student as submitted documents on this academic progress, a payment plan or tax return and other necessary information. The final day of payment for the school year 2020-2021 is 15 January 2022. After this time, no loans can be paid out nor can comments be made on the payment of loans for that school year. If a student does not show the required minimum academic progress at the end of the school year then prepaid loans are refundable according to the rules on overpaid loans, see chapter 8.2.

### **8.1.3 Bonds and bank accounts**

The payment of a loan is subject to the condition that the student has issued a bond in his or her own name as a guarantee for the repayment of the loan. The loan is paid into the student's bank account in his bank or savings Fund in Iceland which must be in the name of the student.

## **8.2 Overpaid loans**

### **8.2 1 Overpaid loans**

If a student receives a loan without having met the Fund's conditions or receives a loan payment in excess of the amount to which he or she is entitled, e.g., because of underestimated income, failure to attain the required academic achievement or for other reasons, he or she shall be required to repay the loan in a separate payment, with indexation, as of the loan was paid out.

If a student has applied for a study loan for the next semester following the semester in which the excess payment was made, the Fund may set off a debt due to the excess payment against an unpaid student loan which the student is expecting.

If a set-off of an overpaid loan is not possible, see paragraph 2 of this Article. the student has the choice of paying the overpaid amount or to agree to a repayment bond.

Further study assistance will be suspended until the overpaid loan has been settled.

### **8.2.2 Bonds**

Bonds for the repayment of excess payments shall normally carry interest at the ordinary rate on non-indexed loans, as determined by the Central Bank of Iceland; interest on the bonds will be added to the amount which the student is to repay, counting from the payment date of the overpaid loan. The first

interest date is specified in the bond and is based on the day on which the bond is prepared by the Fund. Generally, the loan period shall not be longer than 15 months.

### **8.2.3 Collection**

The amount of an overpaid loan will be collected when information on the student's academic progress and other documents has been submitted to the Fund. If a student does not settle an overpaid loan within a specified time limit then his or her student loan bond will be closed, cf. Article 8.2.1, and the overpaid loan shall be collected as a special instalment of his student loan debt.

## **Chapter 9 – Wrong information and corrections**

### **9.1 Intentionally misleading information**

If a student intentionally gives the Fund incorrect or misleading information, all assistance to him shall be discontinued and any assistance which he may have received already on the basis of such information, the student will have to repay the amount along with accrued indexation adjustment and associated costs. This shall also apply if it is proven that the student has made false statements about income, according to the Fund's definition of income at the end of the relevant tax year.

### **9.2 Corrections made by the Fund**

If errors are made in granting a student loan they must be corrected as soon as they are discovered. Students are urged to read carefully the provisions in these allocation rules which apply each situation and help to correct any errors as soon as possible. A student will be notified of such errors and they corrected as soon as possible and the student shall refund overpaid loans as appropriate.

## Chapter 10 – Guarantees

### 10.1 Personal guarantees

A guarantee for a student loan is required if the borrower is not considered dependable. A borrower is not dependable if he is on a debtors' list, his estate is in bankruptcy proceedings or if the Fund has had to write off a loan of the person concerned.

Those who act as guarantors for a student loan undertake a personal guarantee for the debt; this guarantee obliges the guarantor to pay the debt for which the guarantee was given as soon as it is clear that the borrower has not fulfilled his obligation to repay the loan.

Also, the Fund may collect the guaranteed amount directly from the guarantor and does not have to make a special effort to collect the debt from the borrower before that. However, the Fund may not collect the debt directly from the guarantor until it has been confirmed that the borrower has not paid the instalment on the due date. Yet this does not apply if the borrower is declared bankrupt but then the total amount of the loan becomes due in accordance with the Act on Bankruptcy etc. no. 21/1991.

Personal liability shall always be limited to a specific maximum sum, which shall change according to the consumer price index; in addition, personal liability shall cover the payment, with interest, interest on arrears and all costs that may be incurred due to the late payment of the debt, including court costs and collection fees.

The specified sum guaranteed by a guarantor will be calculated based on the appropriate consumer price index and shall not normally exceed ISK 7 million for every student. A guarantor may grant a guarantee for an amount over above this sum for a loan which is available to a student in the academic year when his adjusted guarantee amount to ISK 7 million. The minimum guarantee amount is ISK 100,000.

#### 10.1.1 Conditions fulfilled by guarantors

A guarantor shall confirm with his or her signature on the bond or guarantee declaration that he or she has read the terms of the bond and the result of a credit rating and if applicable, a summary from the defaulter's list.

Guarantors shall have reached the age of 18 and be financially competent. Guarantors shall not be older than 50 unless they are the student's parents. A guarantee of a legal entity instead of an individual shall be subject to the approval of the Fund's board, and the legal entity must be a public establishment or financial institution monitored by the Financial Supervisory Authority. In that case, the Fund may also with the student's permission, collect

a fee for the guarantor when the loan is paid out. In other respects, the same rules apply to a legal entity's guarantee as generally apply to personal guarantees.

Guarantors shall normally be Icelandic nationals domiciled in Iceland. Individuals who are on the defaulters' register, or are in arrears to the Fund, or whose estate is or has been declared bankrupt may not be approved as guarantors for student loans. A guarantor shall also undergo a credit rating that the Fund considers satisfactory.

If the status of a guarantor changes such that he is no longer regarded as meeting the above conditions, the borrower shall provide a new guarantor for his student loan before receiving further loans disbursed from the Fund. However, an older guarantee does not become invalid unless it is revoked and a new guarantor approved by the Fund agrees to guarantee former loan payments.

### **10.1.2 Legal standing of guarantors and reclamations**

Where there is more than one guarantor, they shall bear undivided (in solidum) liability towards the Fund. Where the liability undertaken by each of the guarantors is divided, e.g. where loans have been combined for repayment, each guarantor shall be able to pay his share of the guarantee, with interest and costs in the event of a default on the repayment of the student loan.

While a loan has not been accelerated, a guarantor may keep the loan fully paid up. When this occurs, the guarantor can request that the Fund uses the payment to reduce his or her guaranteed share of the total debt.

The provisions of the bond regarding exemptions from payment shall not apply to a guarantor whose guarantee has been called in, and who has undertaken the repayment of the loan.

In the event of the death of a guarantor, the borrower may provide a new guarantor who meets the conditions set forth above; otherwise, the guarantor's heirs shall take over the guarantee in accordance with general provisions, if the heirs have undertaken liability for the debts of the estate at death.

A guarantor may give notice of the termination of his or her guarantee. A request for this shall be sent through "Mitt Lán". The effect of this shall be only that his liability shall not increase above the level already agreed. The guarantor will nevertheless continue to be liable for the loans that have already been granted. The termination shall take effect as soon as the Fund has informed the borrower of it.

### **10.1.3 Mortgages**

If the student wishes to put up a real estate as collateral to guarantee the repayment of a student loan, he or she must submit the following documents: a mortgage certificate, a copy of the most recent payment receipts for current loans, real estate- and fire insurance evaluations.

In mortgaging student loans from the Fund, the rule is that mortgaged loans, in addition to a loan from the Fund, shall not exceed 85% of the real estate evaluation of the residential property, and that they shall be less than 85% of the assessed value for fire insurance. An appraisal by a chartered real estate agent may also be requested, in which case the rule shall be that loans from the Fund shall not exceed 80% of the sale valuation. Mortgaging a foreign real estate to secure a student loan is not permitted.

# Chapter 11 – Closing bonds

## Chapter 11.1 Closing bonds

Bonds are closed when a student stops accepting loans from the Icelandic Student Loan Fund and take effect at the last period of study assistance. This applies both to students who do not show satisfactory academic progress, do not complete their studies, leave the studies without completing them and students who continue their studies without taking out a student loan. This point in time is considered the end of studies according to Act no. 60/2020 on the Icelandic Student Loan Fund.

When preparations are made for the closing of a bond, the borrower receives itemised information on the loan payments of the bonds and has 14 days to make comments. The guarantor, as applicable, receives information on the amount of the bond which he guarantees.

A bond is issued against every payment of the Icelandic Student Loan Fund during the period of study. At each allocation the older bond is combined with the new one so that every new bond shows the amount of the total debt of the student as of the date of issue of the bond, along with accrued indexation. When a new bond is issued for the total combined amount, the old bond becomes invalid. The repayment of the student loan will be made on the basis of the last bond issued by the student. Then, at the closing of the bond, it is assessed if the student has the right to have a part of the student loan terminated at the end of the studies, see Chapter 12 of the Allocation Rules of the Fund.

## 11.2 Repayments begin

Repayments will begin one year after the end of studies.

The day of end of studies shall be the day of the semester when the student last received study support from the Icelandic Student Loan Fund. The days which shall be considered the final days of each semester are as follows:

Autumn semester	-	31 January
Winter semester	-	30 April
Spring semester	-	30 June
Summer semester	-	30 September



## 11.3 Postponement of the closure of a bond and a break in studies

Students can take a break in studies without having the bond closed. The length of the continuous study break which may be taken without the bond being closed is one year.

The finishing of the bond may be postponed if this student shows eligible academic achievement in the first semester after a one-year study break. The closing of a bond may be postponed for a maximum of four years from the time when the first assistance was obtained, if the student continues in studies which qualify for a student loan without taking out a loan. An application for postponing the closure of a bond must be made no later than in the first semester after a year's break from studies. An application for a new student loan in the first semester after a year's break from studies is the equivalent of an application for the postponement of the closure of a bond. The deadline for the application to postpone of the closure of a bond depends on when in the school year the first semester occurs after one year's break from studies. The deadlines for application are as follows:

Autumn semester	-	15 October
Spring semester	-	15 February

Documentation must be submitted immediately at the end of the term for which postponement was applied for.

If a student takes a longer break of studies than one year, the bond may be closed according to this Article. When a student resumes studies following such a break, this shall be regarded as starting a new period of studies (new degree programme), and the student will have to sign a new bond. The student must also pay instalments on the previous bond (see, however, Chapter 15 on the postponement of paying of an instalment).

## Chapter 12 – Study grant at end of studies

If a student completes a degree within the period of time expected in the organisation of the school, he or she qualifies for a study grant amounting to 30% reduction of the principal of his or her student loan debt including index compensation as of the date when the bond is closed.

A study grant is only awarded for studies organised as a full programme of studies for a minimum and two semesters, i.e. amounting to at least 60 ECTS-units or their equivalent.

Students have some leeway in delaying their studies without reducing their eligibility for a study grant and this can be:

1. One year beyond period specified in the organisation of an apprenticeship, internship or preparatory studies.
2. One year beyond the period specified in the organisation of a bachelor degree and masters degree.
3. Six months beyond the period specified in the organisation of a diploma degree.
4. Two years beyond the period specified in the organisation of a doctorate degree.

Exemptions from academic progress according to Articles 3.4.1 – 3.4.6 are not regarded as a delay in studies.

Before a study loan can be granted to a student, confirmed information must be available about when the student's studies began and when they finished with a verified copy of the final degree. A student is responsible for having these documents available to the Fund. Usually, the confirmation must have been received by the Fund within 6 months from the end of studies.

## Chapter 13 – Terms of bonds

Repayment of student loans shall be based on the terms of each bond and the legislation in force at the time when the loans were taken. In other respects, the allocation rules of the Fund at each time shall apply.

Supporting documentation in connection with repayments shall be received by the Fund no later than two months after the application period expires. Otherwise, it may be assumed that the payer has withdrawn his or her application and then the Fund may cancel it. In cases where the payer has received a revised calculation from the tax authorities, such recalculation may be taken into account even though the documents are received after the above deadline provided that an application is turned in before the deadline for each application year, cf. Chapter 15.

### 13.1 Interest and other loan terms of H-loans

#### 13.1.1 Interest terms

The interest rate of H-loans is variable and is based on the interest terms offered to the State Treasury on the market, with an addition of a fixed interest premium of 0.8% which takes into account the expected discount on the repayment of student loans. Despite the above, the interest rate cap is 4% on consumer-indexed loans and 9% on non-indexed loans.

#### 13.1.2 Loan terms and interest during the studies

Loans according to Act 60/2020 on the Icelandic Student Loan Fund are indexed but bear no interest until the final date of study. Indexation is calculated as from the first day of the next month after the payment of an instalment. If the student receives a loan after the final date of study, interest shall be added to that payment as from the next day after the disbursement. The indexation is based on changes in the consumer price index.

#### 13.1.3 Loan terms after the final date of study

When the date of the end of studies has been determined, the student loan debt is calculated and the basic indexation of the bond is based on the consumer price index on the final date of study. The next day after the date of the final date of study is the first interest date of the bond. The main rule in the repayment terms of a bond is that the bond is not indexed and the repayment period is dependent on the loan amount but with the proviso that the loan shall be repaid before the borrower becomes 65 years of age. When a bond has been closed, the borrower may choose whether it will be indexed or not. Also, the borrower can also choose whether the repayment terms of the bond will depend on the loan amount or on his or her income, cf. Chapter 14. If a borrower has not informed the Fund of his choices regarding the above terms of his bond before the bond is closed, the above main rule is that the

bond will be an annuity bond and non-indexed, see table in Chapter 14.2.2 on the number of repayment years.

A bond cannot be restructured nor the terms of the bond changed after the bond has been closed and payments have begun.

## Chapter 14 – Repayments

### 14.1 Repayment Period

The borrower can either pay an instalment of the loan or alternatively pay the student loan in full. A student who makes an extra payment of the loan according to the older Act on the Icelandic Student Loan has the right to a discount of the extra payment amounting to 5-15% of the outstanding amount of the bond prior to the payment. The share of the discount on the extra payment is dependent on the remainder of the student loans of the individual and is 5% if his or her debt is ISK 1 million or lower, but increases linearly after that and will be a maximum of 15% if the remainder is ISK 4.8 million or higher. A request for paying an extra instalment should be submitted through the website of the payer into "Mitt Lán".

Persons do not have the right to a discount for paying up a bond in full unless the repayment of his or her one or more student loans has begun.

A discount for extra payment must be applied for into the website "Mitt Lán" and it will be subtracted from the total debt of the loan upon payment. In cases where another person than the debtor of the student loan settles the student loan in full, an application for the discount settlement must be submitted to [menntasjodur@menntasjodur.is](mailto:menntasjodur@menntasjodur.is) where the discount is repaid to the person who made payments into the student loan.

### 14.2 Annual Repayments

#### 14.2.1 Repayments of student loans

Repayments of student loans shall be done on the 1. day of each month and are divided on the one hand into annuity loans where the repayment period is based on the amount of the loan and on the other on income-based loans where the repayment is based on the income of the borrower but is still based on a fixed minimum amount, cf. Article 14.2.3.

Only borrowers below the age of 40 at the end of studies (in that calendar year) may select income-based instalments.

#### 14.2.2 Organisation of repayments depending on the loan amount

Loans shall be repaid as annuity loans with monthly instalments on the 1. day of each month. The length of the loan period takes into account the total amount of the bond and the age of the borrower, since he or she must repay the loan before 65 years of age. Repayments shall be as follows:

Student loan debt	Repayment		Annual repayments*	
	Time (year)	Lowest	Highest	
0 - 399,999	2	0	200,000	
400,000 - 799,999	4	100,000	200,000	
800,000 - 1,599,999	6	133,333	266,667	
1,600,000 - 2,399,999	8	200,000	300,000	
2,400,000 - 3,199,999	10	240,000	320,000	
3,200,000 - 3,999,999	12	266,667	333,333	
4,000,000 - 4,799,999	14	285,714	342,857	
4,800,000 - 5,599,999	16	300,000	350,000	
5,600,000 - 6,399,999	18	311,111	355,556	
6,400,000 - 7,199,999	20	320,000	360,000	
7,200,000 - 7,999,999	22	327,273	363,636	
8,000,000 - 8,799,999	24	333,333	366,667	
8,800,000 - and higher	25	352,000	?	

\* Amounts less interest and indexation.

### 14.2.3 Income-related repayment of a student loan

The borrower may only choose income-related repayment if the end of studies falls before or on the year of turning 40 years of age.

Income-related repayment is collected on a monthly basis and each instalment consists of two components. One is a fixed instalment, not based on income and the other is an income-related instalment.

The amount of a fixed instalment is connected to the consumer index and will change in line with monthly changes in the index. The amount of a fixed instalment is ISK 10,000 based on a consumer price index of 470.5.

The monthly income-related instalment is 0.3125% of the income base of the borrower. In the first eight months of the repayment year, the income of the borrower two years before the repayment year are used as a base, but in the last four months of the repayment year the income of the borrower during the year before the repayment year are used as base. An income-based instalment shall be paid monthly on the first day of each month. The amount

of the fixed payment is subtracted from the amount of the income-based instalment.

Income-based means consists of the taxation base of the borrower in addition to his or her financial income, cf. section c. of Article 7 of the Act on Income Tax no. 90/2003.

If the tax base of a borrower is estimated, this estimate shall be used. If a borrower is not due to pay taxes in Iceland of all his income and assets during the repayment period, he or she shall be given the option to submit verified information on his or her income to the Fund, the monthly repayment instalment based on this. In establishing a maturity date, the foreign income will be converted to ISK for each currency, based on the exchange rate of the Central Bank of Iceland for the income year on which the instalment is based. If the borrower fails to do this, then his or her income is considered unreliable and it is not possible to assess his or her income base accordingly, the Fund shall estimate for him an income base for the calculation of the annual additional payment.

A borrower retains the right for recalculation of monthly payments if they have been based on income estimates. He shall then apply for recalculation not later than 15 days after the due date of the payment; however, an application does not postpone collection on the due date. The recalculation will take place when the Fund has received the best available information regarding the payer's income. When verified information on the income is available, it shall be sent to the Fund and the recalculation will be reviewed accordingly. If the income base has been overestimated, the borrower shall be reimbursed for the overpaid amount.

In cases of serious arrears on the repayment of student loans, or where the loan recipient has understated his income in his or her income tax return, the whole loan sum may become due. The increase in a supplementary payment due to recalculation of taxes is due immediately, including penalty interest as determined by the Central Bank of Iceland as of the date of payment.

## Chapter 15 – Postponement of repayments

### 15.1 Postponement of repayments in view of substantial financial difficulty

The Fund may postpone repayment if studies qualifying for a loan, unemployment, inability to work due to illness and/or disability, pregnancy, child care, care of spouse or other comparable circumstances cause the student to be in considerable financial difficulties.

A study programme qualifying for a loan means that the studies of the applicant meet requirements in chapter 1 of the allocation rules regarding the eligibility of studies and that the student meets the conditions of Chapter 2 on academic progress.

A person who is incapable of work due to disability is considered to be entitled to receive disability benefits under the State Social Security Institute's definition. Caring for children and/or spouse means that the care influences the possibilities of the applicant to earn an income. Unemployment means that the applicant is registered on the record for unemployed persons and/or is actively seeking employment.

Generally, the circumstances causing the difficulty shall have lasted for at least four months prior to the due date of the payment.

The general assumption is that exemptions will not be granted if the loan recipient's annual income in the previous year is more than ISK 4,470,000, and that of a married couple or a couple in a registered partnership is more than ISK 8,940,000 in the previous year. If an applicant has no tax domicile in Iceland and his or her income is in a foreign currency the buy rate of currency exchange on the date of the payment shall be used.

### 15.2 Application for postponement of an instalment

A borrower requesting an exemption from repaying his student loan shall apply for it through "Mitt lán" along with the requested information.

An application for postponing the repayment of a student loan shall be sent to the Fund no later than 30 days after the due date of a down payment.

The Fund reserves the right to request that the Fund's present consulting physician obtains information from the medical doctor about a submitted medical certificate and reviews its contents. If such information is not given, the Fund may assume that a satisfactory application has not been submitted.



## **15.3 Effect of postponement on repayment according to loan classes**

### **15.3.1 Annuity loans**

If the borrower owes an annuity loan and is granted a postponement of repayment, the instalments that were postponed will be added after the payment schedule and thus lengthen the loan period. If it is not possible to lengthen the loan period due to the age of the borrower, the service burden of a student loan will be increased by the amount created by the delay.

### **15.3.2 Income-based loans**

If the borrower owes a loan with an income-based repayment plan it is only possible to apply for postponement of the income-based part of the instalment but not on the fixed part. Therefore, the payer pays instalments amounting to the fixed payment during the time which the postponement lasts.

### **15.3.3 Loans according to older laws**

If a borrower owes a loan that was taken before the entry into force of Act no 60/2020 on the Icelandic Student Loan Fund, the terms of their bonds shall apply to their bonds and the respective loans. Accordingly, it is possible to apply for a postponement of the repayment of an annuity or income-based instalment. An application for an exemption must be made for every due date. If a postponement is awarded, the amount of the instalment will be added to the remainder of the loan and thus extending the repayment period of the loan.

## Chapter 16 – Collection of loan payments and default

If a borrower does not pay an instalment on the due date and has not made arrangements with the Fund about payment, the claim is sent to lawyers for collection. If a claim against a borrower is already being collected by the lawyers, new claims will go directly to the lawyers for collection. When the collection of an instalment is in the hands of a lawyer, the loan recipient shall negotiate the settlement of the claim directly with the lawyer, without the mediation of the Fund. If the recipient still does not pay the instalment, the Fund shall have the right to declare the principal of the loan due and to collect it along with the maximum rate of default interest permitted by law.

If the principal of a loan awarded according to Act no. 60/2020 is declared due, the Fund is also permitted to declare due other loans in the same loan category.

Those who owe student loans at the entry of force of Act no. 60/2020 on the Icelandic Student Loan Fund and take out a new loan may request that the old loans are converted in accordance with the provisions in Act no. 60/2020 on the Icelandic Student Loan Fund as regards loan terms and repayments. The conditions for such debt conversion is that the repayments of the student loans are comparable, the borrower is not in default with his student loans and that an application is received by the Icelandic Student Loan Fund before 1 December 2020. If there is a guarantor of any of the loans, his or her consent must have been given.

## Chapter 17 – Doubtful cases

### 17.1 Role of the Board

One of the roles of the Board is to make rulings on doubtful or unclear cases concerning individual loan recipients and other issues. Rulings by the Board may be referred to the appeals committee (cf. Article 17.5).

The decisions of the Board regarding matters submitted to the Fund shall be well founded and notified in writing unless it is obviously unnecessary. The decision is binding after it has reached the parties. Students or other parties involved may have cases re-examined, cf. Article 17.4 or may request a ruling from the appeals committee, cf. Article 17.5. The procedure is in other ways in accordance with the Act on Administrative Procedures no 37/1993.

### 17.2 Procedure

Before the Board rules on an unclear matter, special subcommittees appointed from the board members, the repayment committee or an unclear matter committee, as appropriate, shall prepare and make proposals on the conclusion to the Board of the Fund. The committee shall examine how comparable cases, or cases considered to be closest to the one under discussion, have been dealt with.

### 17.3 Reasons

In stating reasons, reference shall be made to the legal principles on which the Fund's decisions are based, legislation, regulations, allocation rules or minutes recorded by the Board, as appropriate. To the extent that a decision is based on an estimate or evaluation, the principal considerations behind the estimate or evaluation shall be stated when reasons for the decision are given.

### 17.4 Re-Examination

After the Board of the Fund has made decision and it has been notified, a party to the case shall have the right to have it re-examined if the decision was based on insufficient or incorrect information on the facts of the case.

Requests for re-examinations shall normally be submitted within 3 months of the announcement to the party regarding the Board's conclusion.

## **17.5 Appeals Committee**

The Minister of Education shall appoint an appeals committee consisting of three persons. The committee shall determine whether rulings made by the Board are in accordance with the provisions of laws and regulations. The committee may confirm, amend or invalidate the decisions by the Board of the Fund.

Appeals shall be submitted to the Appeals Committee within 3 months of the announcement to the party regarding the Board's conclusion.

## **Chapter 18 – Entry into Force**

Proposals for these rules were confirmed by the Board of the Fund on 9. July 2020. The Minister sets the rules and they enter into force when they have been published in the official Journal according to Article 36 of the Act on the Student Loan Fund no. 60/2020.

These rules apply to the academic year 2020-2021.

# Appendix I

## Basic support rates and explanations of the calculation of the basic support level for the academic year

### Basic support of the Icelandic Student Loan Fund

Calculation of this basic support is based on the basic support reference figures of the Ministry of Welfare. The housing cost increases are based on the same pricing assumptions, but it also takes into account the rent for the universities' student housing for individuals, couples and families.

Housing costs take the student's family circumstances into account and for this the additional costs relating to residence by students in their own accommodation or rented accommodation is divided into six categories:

1. Student (single)
2. Student who is married or cohabiting or in a registered partnership with no child
3. Student who is married or cohabiting or in a registered partnership with one child in the home
4. Student who is married or cohabiting or in a registered partnership with two children or more
5. Single, one child
6. Single, two or more children.

In the categories for cohabiting or married students, it is assumed that both partners in the union will share housing costs equally. Thus, the support figure is based on the actual support needs of various groups of students, based on the type of household and family size.

## Basic support of the Icelandic Student Loan Fund

	Maintenance School year (ISK)	Maintenance per month (ISK)			Maintenance on ECTS (ISK)		
		Base	Housing	Total	Base	Housing	Total
0. With parents	783,868	87,096	0	87,096	13,064	0	13,064
1. Single	1,705,501	112,312	77,188	189,500	16,847	11,578	28,425
2. Cohabitation, no child	1,501,733	112,312	54,547	166,859	16,847	8,182	25,029
3. Cohabitation 1 child	1,585,067	112,312	63,807	176,119	16,847	9,571	26,418
4. Cohabitation 2 or more children	1,631,423	112,312	68,957	181,269	16,847	10,344	27,191
5. Single, 1 child	2,159,326	112,312	127,613	239,925	16,847	19,142	35,989
6. Single, 2 or more children	2,252,037	112,312	137,914	250,226	16,847	20,687	37,534

The above amounts are intended for an individual, i.e. without child maintenance, as applicable. The school year is assumed to be 9 months.

## Disposable income

Students may have a total of ISK 1,364,000 in annual income (income threshold) without causing a reduction in income.

The following table shows the maintenance loans per school year (9 months) according to the family situation, including a loan for children as applicable. A loan of ISK 35,600 is granted for a child. Also the disposable income of the same groups of students with reference to the student earns an additional ISK 1.364.000 in the year in addition to a student loan.

	Maintenance (ISK) per school year*	Disposable income (ISK) **	
		per year (12 months)	per month
With parents	78,3868	2,147,868	178,989
Single	1,705,501	3,069,501	255,792
Cohabitation, no child	1,501,733	2,865,733	238,811
Cohabitation 1 child	1,905,467	3,269,467	272,456
Cohabitation 2 children	2,272,223	3,636,223	303,019
Single, 1 child	2,479,726	3,843,726	320,311
Single, 2 children	2,892,837	4,256,837	354,736

(\*) a 9-month school year is assumed.

(\*\*) Calculation of disposable income of a student according to family status is based on full maintenance per school year and an income of ISK 1.364.000.



## Appendix II

### Maximum time for preparatory study in languages

Country	Maximum time of language study	Country	Maximum time of language study
Austria	0.5 school years	Malaysia	1,5 school years
Belgium	0.5 school years	Mexico	0.5 school years
Bosnia	1 school years	Monaco	0.5 school years
Brazil	0.5 school years	Peru	0.5 school years
Bulgaria	1 school year	Portugal	0.5 school year
Estonia	1 school year	Poland	1 school year
Equador	0.5 school years	Rumenia	1 school year
The Philippines	0.5 school year	Russia	1 school year
Finland	1 school year	United Arab Emirates	1.5 school year
France	0.5 school year	Serbia	1 school year
Greece	1 school year	Singapore	1.5 school year
The Netherlands	1 school year	Chile	0.5 school year
Iran	1.5 school year	Slovakia	1 school year
Israel	1.5 school year	Slovenia	1 school year
Italy	0.5 school year	Spain	0.5 school year
Japan	1.5 school year	South-Korea	1.5 school year
China	1.5 school year	Switzerland	0.5 school year
Kosovo	1 school year	Taiwan	1.5 school year
Croatia	1 school year	Czech Republic	1 school year
Cyprus	1 school year	Turkey	1 school year
Latvia	1 school year	Thailand	1.5 school year
Lithuania	0.5 school year	Hungary	1 school year
Luxembourg	0.5 school year	Germany	0.5 school year

## Appendix III

### Loans awarded by the Fund

Title	Awarded	Interest	Repayment Begins based on end of studies	Repayment Time	Due dates
M	1952-1961	3.50%	for 3 years	for 10 years	1 May and 1 November
N	1952-1961	3.50%	for 3 years	for 10 years	1 February and 1 November
M	1961-1967	3.50%	for 3 years	for 15 years	1 May and 1 November
N	1961-1967	3.50%	for 3 years	for 15 years	1 February and 1 November
L	1967-1975	5%	for 5 years	for 15 years	1 June
K	1975	13%	for 1 years	for 4 years	1 April and 1 November
X*	1976-1982	Indexed	for 3 years	for 20 years	1 July and 1 November
T**	1982-1992	Indexed	for 3 years	for 40 years	1 March and 1 September
R	1992-2005	Up to 3% + indexed	for 2 years	undecided	1 March and 1 September
G	2005-	Up to 3% + indexed	for 2 years	undecided	1 March and 1 September
H	2020	Up to 4% + indexed or 9% non-indexed	for 1 year	Changeable	Due date 1, day of each month

(\* ) Indicated as V-loans after unification.

(\*\*) Indicated as S-loans when repayments begin.

## Definitions of important terms

**Attendance certificate:** Student in one-year programme of studies can send a progress certificate from the school at the end of the autumn term. The certificate must show the evaluation of the school of the progress of study in annual courses. Following completion of a study programme, a certificate must then be submitted, stating that the course was completed, along with the total number of units.

**Child allowance:** A student has the right for a grant for the maintenance of a child below the age of 18, amounting to single child support per month if he or she fulfils certain conditions.

**ECTS-unit:** ECTS (European Credit Transfer and Accumulation System) is a coordinated scale of assessment of studies in the European Union member states and other states participating in the Bologna process. 60 ECTS credits is the equivalent of a full year's studies.

**Quarter/semester:** If the academic year is divided into three periods (an autumn, winter and spring semester) then a student who completes these three quarters of the year (i.e. three semesters) is considered as having been in full-time studies. The summer semester is the fourth quarter of the year.

**Full studies:** Students are considered to have completed full studies if they complete 60 ECTS-units during an academic year or 30 ECTS-units per semester.

**Basic support:** The amount representing the loan requirement of a student who lives in rented accommodation during the study period, as defined by the board of the Fund.

**Loan schedule:** If a student has applied for loans and submitted the materials requested by the Fund, a calculation of their loan rights is made, taking into account their earnings and family circumstances. This loan schedule is then put on the net under "Mitt Lån", and enables the student to receive temporary credit from his or her commercial bank. If it turns out that a loan schedule is based on errors or incorrect premises as regards the valid allocation rules for the school year for which a loan is sought, the Fund reserves the right to amend the loan schedule to bring it into line with those rules.

**Spouse:** This means a person who is married to or in cohabitation with the borrower.

**Cohabitation:** Cohabitation of two individuals registered in cohabitation according to Registers Iceland.

**Semester:** If a school year is divided into two periods of equal length, autumn and spring semester then a student who has been studying full time is regarded as

having studied for two semesters. The summer semester makes up the third semester/term.

**Year of study:** This is generally 12 months, beginning in the autumn and ending in the summer. If a student pursues studies in the summer semester, that semester belongs to the previous academic year. Academic year in these rules refers to the academic year 2020- 2021.

**Academic progress:** A course of study that is completed by a specific degree. A new course of study begins if a student changes schools, subject or degree.

**Student loan:** A loan for maintenance and tuition fees. The maintenance of a student is divided into basic maintenance, loans for housing and loans for travel expenses. In addition to this is a child support grant as applicable.

**Length of study:** The right of students to student loans is specified in ECTS-units. If for example a student has completed 60 ECTS-units during the school year and received a loan for those units, they are subtracted from the number of units he has a right to receive a loan for.

**End of studies:** The end of the last period of assistance to the student. This applies equally to students who are finishing their studies, students who leave their studies without completing them and students who continue their studies without taking out student loans.

**Overpaid loans:** If a student receives a higher loan than he or she has a right to, e.g. due to underestimating their income, prepaid tuition fee loans or if he or she does not reach an academic achievement during the term making him ineligible to a student loan, he shall repay the loan separately.

**Special studies:** An apprenticeship which is not taught at university level. Studies at an upper secondary school level are not eligible for student loans.

**Personal guarantee:** The guarantee of a loan where a guarantor is obliged to pay the debt on the due date even though the creditor has made no attempts to have the main debtor pay the amount.

**School year:** This is generally 9 months, beginning in the autumn and ending in the summer. a school year in these rules means the school year 2020-2021.

**Leeway:** Possible minimum academic achievement and total loan period in a specific course of study. This applies to the number of units eligible for awarding a loan.

**Extra units:** If the academic achievement of a student is beyond 30 ECTS-units at a specific semester of the school year, the person has the right to use the extra units in another semester of the same school year or later in the same course of

study if the student has reached the minimum academic progress in the school year (22 ECTS-units).

**Preparatory studies:** Studies preparing for a course of study at university level.

# An example of the calculation of a study loan to a student in Iceland in full-time study (60 ECTS-units) in the school year 2020-2021

## Example A1:

Single living with parents

<b>Income</b>	+	<b>1,150,000</b>
Income threshold	-	1,364,000
Balance	=	-214.000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	783.840
Accommodation	+	0
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>783.840</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>783.840</b>

## Example A2:

Single in rental housing/own housing

<b>Income</b>	+	<b>1,750,000</b>
Income threshold	-	1,364,000
Balance	=	386,000
<b>45% reduction</b>	-	<b>173.700</b>
Basic support	+	1,010,820
Accommodation	+	694,680
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>1,705,500</b>
Reduction due to income	-	173,700
<b>All support</b>	=	<b>1,531,800</b>

## Example B1:

Single living with parents coming from after working, i.e. a long break.

<b>Income</b>	+	<b>2,100,000</b>
Income threshold	-	6,820,000
Balance	=	-4,720,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	783,840
Accommodation	+	0
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>783,840</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>783,840</b>

## Example B2:

Single in rental housing/own housing who comes from work, i.e. a long break

<b>Income</b>	+	<b>3,000,000</b>
Income threshold	-	6,820,000
Balance	=	-3,820,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	694,680
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>1,705,500</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>1,705,500</b>

### Example A3:

Single cohabiting, no child and  
in rented or self-owned accommodation.

Income	+	1,600,000
Income threshold	-	1,364,000
Balance	=	236,000
<b>45% reduction</b>	-	<b>106,200</b>
Basic support	+	1,010,820
Accommodation	+	490,920
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>1,501,740</b>
Reduction due to income	-	106,200
<b>All support</b>	=	<b>1,395,540</b>

### Example A4:

Single cohabiting, 1 child and  
in rented or self-owned accommodation.

Income	+	1,400,000
Income threshold	-	1,364,000
Balance	=	36,000
<b>45% reduction</b>	-	<b>16,200</b>
Basic support	+	1,010,820
Accommodation	+	574,260
Child allowance	+	320,400
<b>Total support (60 ECTS)</b>	=	<b>1,905,480</b>
Reduction due to income	-	16,200
<b>All support</b>	=	<b>1,889,280</b>

### Example B3:

Single cohabiting, no child  
in rented or self-owned accommodation and  
comes home  
after working i.e. a long  
break.

Income	+	3,200,000
Income threshold	-	6,820,000
Balance	=	-3,620,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	490,920
Child allowance	+	0
<b>Total support (60 ECTS)</b>	=	<b>1,501,740</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>1,501,740</b>

### Example B4:

Single cohabiting, 1 child and  
in rented or self-owned accommodation and  
comes home  
after working i.e. a long  
break.

Income	+	4,400,000
Income threshold	-	6,820,000
Balance	=	-2,420,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	574,260
Child allowance	+	320,400
<b>Total support (60 ECTS)</b>	=	<b>1,905,480</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>1,905,480</b>

### Example A5:

Single cohabiting, 2 children and  
in rented or self-owned accommodation.

Income	+	1,900,000
Income threshold	-	1,364,000
Balance	=	536,000
<b>45% reduction</b>	-	<b>241,200</b>
Basic support	+	1,010,820
Accommodation	+	620,640
Child allowance	+	640,800
<b>Total support (60 ECTS)</b>	=	<b>2,272,260</b>
Reduction due to income	-	241,200
<b>All support</b>	=	<b>2,031,060</b>

### Example A6:

Single parent, 1 child and  
in rented or self-owned accommodation.

Income	+	1,300,000
Income threshold	-	1,364,000
Balance	=	-64,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	1,148,520
Child allowance	+	320,400
<b>Total support (60 ECTS)</b>	=	<b>2,479,740</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>2,479,740</b>

### Example B5:

Single cohabiting, 2 children  
in rented or self-owned accommodation and  
comes home  
after working i.e. a long  
break.

Income	+	7,500,000
Income threshold	-	6,820,000
Balance	=	680,000
<b>45% reduction</b>	-	<b>306,000</b>
Basic support	+	1,010,820
Accommodation	+	620,640
Child allowance	+	640,800
<b>Total support (60 ECTS)</b>	=	<b>2,272,260</b>
Reduction due to income	-	306,000
<b>All support</b>	=	<b>1,966,260</b>

### Example B6:

Single parent, 1 child  
in rented or self-owned accommodation and  
comes home  
after working i.e. a long  
break.

Income	+	5,000,000
Income threshold	-	6,820,000
Balance	=	-1,820,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	1,148,520
Child allowance	+	320,400
<b>Total support (60 ECTS)</b>	=	<b>2,479,740</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>2,479,740</b>



### Example A7:

Single parent, 2 children and  
in rented or self-owned accommodation.

<b>Income</b>	+	<b>1,100,000</b>
Income threshold	-	1,364,000
Balance	=	-264.000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	1,241,220
Child allowance	+	640,800
<b>Total support (60 ECTS)</b>	=	<b>2,892,840</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>2,892,840</b>

### Example B7:

Single parent, 2 children  
in rented or self-owned accommodation and  
comes home  
after working i.e. a long  
break.

<b>Income</b>	+	<b>4,000,000</b>
Income threshold	-	6,820,000
Balance	=	-2,820,000
<b>45% reduction</b>	-	<b>0</b>
Basic support	+	1,010,820
Accommodation	+	1,241,220
Child allowance	+	640,800
<b>Total support (60 ECTS)</b>	=	<b>2,892,840</b>
Reduction due to income	-	0
<b>All support</b>	=	<b>2,892,840</b>