

Loan terms – flexible loans

Interest and repayment

The outstanding amount on the loan for the time being carries interest and must be repaid as stipulated in Parts 8 and 10 of the Danish Act on the Educational Grant and Loan Scheme in Denmark and Part 15 of the Executive Order on SU. The repayment will take place in equal-sized instalments every other month to Udbetaling Danmark, Studiegæld. The first repayment is due on 1 January of the calendar year 1 year after the end of the grant year in which the programme was completed. Borrowers who have also obtained a loan for a period prior to 1 January 1991 must make the first repayment 1 year after the end of the grant year in which the programme was completed, but not earlier than 1 August.

Voluntary repayments before the individual repayments fall due must also be made to Udbetaling Danmark, Studiegæld.

Repayments are first used to cover fees, then interest and finally to reduce the principal.

The loan falls due

The full amount of the loan falls due for immediate repayment,

- 1) if repayments due are not paid 8 days after the due date at the latest;
- 2) if the borrower dies;
- 3) if the borrower is legally incapacitated or is placed under guardianship;
- 4) if negotiations for an arrangement with creditors are opened, if debt rescheduling proceedings are instituted or if the borrower's estate is administered in bankruptcy;
- 5) if the borrower resides on the Faroe Islands, abroad or moves to the Faroe Islands or moves abroad and does not notify Udbetaling Danmark, Studiegæld of his/her new address within 14 days;
- 6) if the borrower fails to give notice of the completion or interruption of the study programme or of leave from the study programme.

In case of default, the full amount of the loan will be collected by the Danish Debt Collection Agency, and the amount will carry interest according to the Danish Interest on Overdue Payments Act.

Choice of forum

The forum is determined according to the rules of the Danish Administration of Justice Act.

Legal basis

The loan has been granted according to the Danish Act on the Educational Grant and Loan Scheme in Denmark, see Consolidation Act No. 1037 of 30 August 2017 and Executive Order No. 1515 of 13 December 2017 on the Educational Grant and Loan Scheme in Denmark (the Executive Order on SU).