Section one:
Interest on and repayment of educational loans and loss of rights

Chapter 1 Interest accrual on the educational loan and repayment plan

§ 1-1 *Interest on the educational loan*

The educational loan will start accruing interest from the start of the first month following completion or interruption of the borrower's education, or when the borrower is not entitled to support in accordance with Sections one and four in the rules for financial aid for education. Interest is also charged when the borrower studies without receiving financial support; cf. Chapter 11.

Debt from previous education is interest-bearing when the borrower is in part-time education.

A grant can be converted back to a loan if there is a transgression of the conditions set in the regulations concerning educational loan, chapter 29 in the rules for financial aid for education. Interest rate is applied to the converted amount from the same month the grant is converted.

§ 1-2 *Repayment plan*

A repayment plan will be issued when the loan becomes interest-bearing.

A borrower who has received a repayment plan and who has subsequently been granted support for other education will have a new repayment plan established for the total debt.

Chapter 2 Interest terms

§ 2-1 *Calculation of interest*

Loans in Lånekassen have a variable rate unless the borrower signs an agreement for a fixed interest rate.

The basis for calculating interest on loans in Lånekassen are the government's expected borrowing costs for equivalent interest periods with an additional one percent added to the annual effective interest rate. The government has a limited total amount of outstanding government securities (loans that are either Treasury bills or government bonds), and it will often be necessary to interpolate (find the interest rate using a weighted average) between two government securities. Borrowing costs are estimated by observing the closing market rates at Oslo Stock Exchange. The observed rates on settlement days in the given period are used to calculate the interest rate for a fixed observation period. The average for all daily rate observations is rounded off to the nearest 0.1 percentage point.

The nominal rates on the individual customer loans are calculated from a given annual effective interest rate which includes a premium of one percentage point. The annual effective rate for fixed and variable rates before fees is calculated by the Ministry of Finance and is published on Lånekassen's website. The formula to calculate the annual nominal rate is:

$$r_n = \left[\left(1 + r_e\right)^{\frac{1}{n}} - 1 \right] n$$

where:
rn = annual nominal interest rate in percent
re = annual effective interest rate before percentage fees including 1.0% premium
n = total annual interest payments

Four periods per year are used to calculate the nominal interest rates. Rates are given to three decimal points. Lånekassen establishes the nominal rates. In addition to the calculation of the effective rate on the individual customer loan, additional fees will be added as established by the law of educational support of 3 June 2005 no. 37 § 8 and corresponding regulations.

The principal and capitalised interest will be charged in arrears on the last day of each month, with a monthly nominal period rate that corresponds to the annual quarterly nominal rate divided by twelve. Rent is not calculated for borrowers on non-capitalised interest that is paid to Lånekassen before the period deadline every quarter.

Variable interest rates are set based on the average of observed market rates over two months on government securities (Treasury bills) with a remaining term to maturity from zero to three months. The observation periods start at the beginning of the calendar year, and new rates come into force two months after the end of the observation period.

Lånekassen offers fixed interest every second month for periods of three, five or ten years. The basis for setting the fixed interest is the average of observed market rates in the course of one month for government securities (bonds) with equivalent maturities. The observation periods start at the beginning of the year, and new rates come into force one month after the end of the observation period. For example, the fixed interest from January 1 is calculated out from observations in November. If there is an agreement to fix the interest rate, the actual fixed rate from one month after the end of the observation period will be used.

In the event of default, the annual nominal rate will be calculated at one percentage point higher than ordinary on the entire loan from the date the loan was set up.

§ 2-2 *Fixing the interest rate*

The interest rate can be fixed for a period of three, five or ten years.
An application to fix the interest must be received by Lånekassen no later than twelve days after the observation period.

Borrowers who have signed a fixed-interest agreement must pay in accordance with the agreement.

It is not possible to fix the interest on only part of the loan.

§ 2-3 Termination of fixed interest agreement

Unless a new agreement is in place by the end of the agreement period the interest on the loan will be charged according to the rules for variable interest rate, see § 2-1.

Interest adjustment calculation on early repayment – in part or in full – of loan with fixed interest rate will be according to § 9 About early redemption of fixed interest credit in regulation for credit agreements, etc. of 7 May 2010 of the Norwegian Financial Contracts Act. The basis will be the annual effective interest rates rounded to one decimal point before fees, calculated by the Ministry of Finance and publicized on Lånekassen's website. The annual effective interest rates before fees are included in the customer's loan agreement.

When calculating the weighted average interest rate between two corresponding loans, one with shorter and one with longer fixed interest rate period (interpolation) that is closest to the remaining fixed interest rate period on the loan that will be repaid, the interest rate offers that apply on the repayment date will be used. If there is no offer of fixed interest rate at that time, the last offer of fixed rate will be used. When the remaining term for the particular fixed interest loan is less than three years, the variable interest rate on repayment date and three years fixed interest rate offer will be used in the calculation of the average.

If the borrower terminates the fixed rate agreement during the term, the same rules for calculating interest adjustment as stated in § 9 in Regulations about credit contracts, etc. of 7 May 2010 will be used. The transfer from fixed to variable interest rate will consequently take place on the first day of the month after the application was submitted within the applicable deadlines. When calculating the interpolated interest rate between two loans, one with shorter and one with longer binding term which is closest to the remaining binding time of the loan that is transferred from fixed to variable interest rate, will the offers for fixed rate that on the application date will be the applicable rates from the first day of the following month. When the remaining term of the particular fixed interest rate loan is less than three years, the variable rate that is used during the month the application is submitted will be the applicable rate from the first day of the month following the submission of the application.

If the borrower ends the fixed rate agreement in the agreement term there will be a quarantine of two months during which the loan will be charged interest rates according to the variable rate, before the loan could be fixed again, if that is desired. See § 2-4 letter g.

Applications to end fixed interest rate agreements must be received by Lånekassen no later than twelve days after the completion of the observation period.

The fixed interest agreement is also automatically terminated if the borrower commences on a fulltime or part-time education during the period and at the same time receives a loan and/or grant from Lånekassen. In such cases the fixed interest rate agreement will be considered to be terminated from the month the support is paid. The transition from fixed to floating interest rate will be on the first day of the month after the agreement is considered terminated. Interest adjustment will be calculated in accordance with the rules in the second or third subsection.

§ 2-4 *Limitations on permission to sign a fixed-interest agreement*

The following borrowers are not permitted to sign a fixed-interest agreement:

a) a borrower under 18 years of age
b) a borrower who has a shorter repayment term than the term of the agreement
c) a borrower with a non-interest-bearing loan
d) a borrower with a called-in loan
e) a borrower with a debt settlement
f) a borrower in part-time education with support from Lånekassen and who has an interest-bearing loan from previous education
g) a borrower who terminates a fixed interest rate agreement, before the set date in the agreement, can at the earliest apply for a new fixed rate agreement after two months. See § 2-3, fifth paragraph.

§ 2-4 *Compound interest*

Compound interest will be charged at the current interest rate. All unpaid interest becomes interest-bearing on 15 February, 15 May, 15 August and 15 November. For borrowers with loans dating from before 1 July 1985, no interest will be charged on unpaid interest accumulated before 1 January 1990.

Chapter 3 Instalments

§ 3-1 *Determining the instalments*

Instalments are determined in accordance with the annuity principle, so that the debt is repaid over the fixed repayment term. The smallest instalment is NOK 3, 630.

§ 3-2 *Exceptions in special cases*

In special cases Lånekassen may make exceptions to regulations for determining instalments.

§ 3-3 *Adjustment of instalments*

Instalments are adjusted when the interest rate changes.

Chapter 4 Repayment term

§ 4-1 *Normal repayment term*

The longest repayment term is 20 years from the last date the loan becomes interest-bearing. A loan of more than NOK 226,000 will normally have a repayment term of 20 years.

§ 4-2 *Extended repayment term*

When a repayment deferral is granted, the repayment term will normally be extended. The repayment term cannot be extended to more than 30 years.

§ 4-3 *Shorter repayment term*

The loan must be repaid by the time the borrower reaches the age of 65. For borrowers over 45 years of age, the instalment amounts are increased so that the longest repayment term is shorter than 20 years.

Chapter 5 Extra repayments and redemption

§ 5-1 *Extra repayments for loans with variable interest*

A borrower with a loan repayable in accordance with § 2-1 (variable interest) may redeem or repay the debt quicker and by larger amounts than set out in the repayment plan, without additional costs.

§ 5-2 *Extra repayments for loans with fixed interest*

For a borrower who has signed a fixed interest agreement in accordance with § 2-2, extra repayments or redemption of the debt within the term of the agreement will an interest adjustment at a premium or discount rate apply, in accordance with § 2-3.

§ 5-3 *Reimbursement of extra repayments*

Extra repayments will be reimbursable only in special cases.

Chapter 6 Due dates, payment reminders and fees

§ 6-1 *Due date and repayment break*

The first due date is set at around seven months after the education has either been completed or interrupted, or when the borrower no longer receives support from Lånekassen (repayment break). This also applies to a new repayment plan in accordance with § 1-2.

A borrower who receives support for part-time education and has a loan for which a repayment plan has previously been issued cannot be granted a new repayment break.

Due dates are 15 February, 15 May, 15 August and 15 November.

§ 6-2 *The borrower's repayment obligations in spite of non-receipt of a payment reminder*

The instalment must be paid even if the borrower has not received a payment reminder; see § 16-2.

§ 6-3 *Fee on first payment reminder*

A fee of NOK 35 is incurred for a reminder of an instalment falling due. Borrowers using e-invoices do not incur this fee.

§ 6-4 *Fee on second payment reminder (first demand)*

On the second payment reminder, a fee of NOK 280 is incurred.

§ 6-5 *Fee on third payment reminder (calling in notice)*

On the third payment reminder, a fee of NOK 490 is incurred.

§ 6-6 *Order of priority for payments*

A payment is applied in the following order: any debt collection costs, charges, interest, and loan capital.

§ 6-7 *Transaction costs*

The borrower must cover transaction costs incurred in repaying the debt.

Chapter 7 Consequences of default on payment obligations or breach of duty of disclosure

§ 7-1 *Consequences of non-payment after third payment reminder*

Lånekassen may require that the entire debt be redeemed before the due date if the borrower materially defaults on the loan agreement. If the borrower does not pay within the deadline given in the third reminder, Lånekassen comes to a decision on calling in the entire debt and the Norwegian National Collection Agency takes over recovery of the unpaid debt. The calling in is cancelled if the borrower pays or is granted a deferral for the overdue, unpaid instalment. Please refer to the conditions governing repayments in Section two. In cancelling the calling in, Lånekassen retrieves the case from the Norwegian National Collection Agency.

Interest on the whole loan is charged at one percentage point above the ordinary rate from the date the debt was called in cf. Act relating to Interest on Overdue Payments, etc.17 December 1976 no

100.

By debt is meant the loan, interest, charges and costs.

§ 7-2 *Recovery of the unpaid debt*

If the borrower does not pay the entire overdue, unpaid instalment, the Norwegian National Collection Agency may enter into a voluntary repayment agreement for the overdue amount.

A claim for repayment of an overdue part of an educational loan may be recovered through attachment of salary and other similar disbursements in accordance with the Satisfaction of Claims Act § 2-7.

§ 7-3 *Enforced recovery*

A claim for repayment of educational debt may be enforced by distraint. In case of material default, the Norwegian National Collection Agency, as the special enforcing authority, arranges attachment proceedings for the entire debt in accordance with the regulations in the Enforcement Act. The Norwegian National Collection Agency may also forward the claim for repayment to a local enforcement officer.

If the overdue unpaid instalment is paid, the recovery may be halted.

§ 7-4 *Borrowers abroad*

If the borrower lives abroad, the Norwegian National Collection Agency may collect the debt where the borrower lives. The Norwegian National Collection Agency may use a collection agency, solicitor or the legal apparatus. The recovery may be halted if the overdue, unpaid instalment is paid, even if the case has been transferred to a collection agency or solicitor for borrowers residing abroad.

§ 7-5 *Charges*

A borrower may be liable for charges and costs relating to repayment and recovery of the debt.

§ 7-6 *Persistent and gross default*

On persistent and gross default on the repayment obligations, the borrower's debt may be permanently transferred to the Norwegian National Collection Agency. A permanent transfer to the debt to the Norwegian National Collection Agency entails a loss of entitlements accorded by or pursuant to the Act on Financial Support for Students.

The default will be considered persistent and gross once the debt has been called in for three years.

§ 7-7 *Exemption from § 7-6*

Exemption is made from § 7-6 if one of the following circumstances applies:

a) the borrower has a current voluntary repayment scheme,

b) the borrower has a current enforced repayment scheme,

c) the borrower has repaid a significant amount over the past 12 months,

d) the borrower makes probable that the present situation qualifies him/her for repayment relief in accordance with Section two, or

e) special circumstances make it reasonable for the debt not to be transferred.

A claim for exemption must be justified and filed within the deadline specified in the notice concerning permanent transfer of the debt to the Norwegian National Collection Agency. Any claim for exemption after the debt has been permanently transferred will not be considered.

§ 7-8 *Other consequences of a default on the repayment obligation*

Default on the repayment obligation may result in rejection of an application for support for new education in accordance with the regulations regarding the granting of educational support and rejection of an application for repayment deferral, interest exemption and debt cancellation; see § 17-3 and the regulations regarding the granting of educational support.

§ 7-9 *Consequences of breach of the duty of disclosure*

If a borrower wilfully or negligently breaches the duty of disclosure in accordance with the regulations regarding the granting of educational support, and has thereby received or attempted to be paid or credited with support to which the regulations do not provide entitlement, Lånekassen may demand that the amount of support be repaid and may charge interest from the date on which the borrower was granted support. The entire debt may be called in and recovered in accordance with §§ 7-2 – 7-4. The borrower may lose the right to repayment relief and debt cancellation.

In assessing the default, particular consideration is given to how long the default has been in progress and the size of the unauthorised support received.

Chapter 8 Educational debt and debt settlement

§ 8-1 *Extrajudicial debt settlement*

Educational debt may be included in debt settlements extraneous to the Debt Settlement Act (extrajudicial debt settlement). An application for such a debt settlement must contain documented details of the borrower's income, assets, liabilities, number of dependents, living costs and other matters relevant to the case. The same information must be provided for a spouse or co-habitant to the extent that this is relevant to the case.

§ 8-2 *Debt settlement in accordance with the Debt Settlement Act*

When a borrower obtains a debt settlement in accordance with the Debt Settlement Act, the repayment terms will be determined in accordance with this.

A debt settlement will normally aim for an unsecured debt to be erased at the end of debt settlement period, which is normally five years; see Chapters 4 and 5 of the Debt Settlement Act.

If the debt settlement is not achieved, the borrower will be dealt with in accordance with the other clauses of these regulations.

§ 8-3 *Eligibility for new educational support*

As a main rule, the borrower may not take out a new loan and/or a grant during the debt negotiation period and the debt settlement period. If the education is agreed or confirmed in the debt settlement, new support may be assessed on the basis of the general criteria for awards, including previous defaults; see § 7-8.

Chapter 9 Debts that are considered non-recoverable

§ 9-1 *Debt cancellation*

Loan, interest and costs may be cancelled to the extent that the debt is considered to be non-recoverable. An application for cancellation must include documented details of the borrower's income, assets, liabilities, number of dependents and living costs. The application must also include equivalent details for a spouse or co-habitant and other matters relevant to the case.

When assessing the application, consideration shall be given to the borrower's financial circumstances, whether the ability to pay is permanently impaired and the duration of the default. Consideration shall also be given to the remedial measures that have been initiated during the case and to the measures that will be most appropriate for recovery in the future. The borrower may not be granted debt cancellation if this would appear unfair.

§ 9-2 *Limited right to appeal*

A borrower has no right to appeal in accordance with the provisions of the Public Administration Act for decisions made in cases of debt settlement outside the Debt Settlement Act and for debt cancellation that is considered to be non-recoverable.

Chapter 10 Personal debt

§ 10-1 *Personal debt*

An educational debt granted pursuant to the Act on Financial Support for Students is a personal debt and may not be transferred to another party.

§ 10-2 *Cancellation in the event of death*

The debt is cancelled in the event of the borrower's death.

Section two:
Interest exemption, repayment deferral and debt cancellation

Chapter 11 Interest exemption while in education

§ 11-1 *Conditions for entitlement to interest exemption following completed full-time education*

A borrower who has completed full-time education and documents entitlement to financial support in accordance with Sections one and four of the regulations regarding the granting of educational support is entitled to interest exemption for as long as support could have be granted.

A borrower who is studying without having applied for financial support must apply for interest exemption within the statutory limitation in § 13-2.

§ 11-2 *Conditions for entitlement to interest exemption following completed part-time education*

A borrower who has completed part-time education and documents entitlement to financial support in accordance with Section one of the regulations regarding the granting of educational support is entitled to interest exemption for the whole period or parts of the period if the borrower has a gross annual income within the limits in the table, see § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides up to and including the year the child turns 16.

The borrower must apply for interest exemption within the statutory limitation in § 13-2.

§ 11-3 *Entitlement to interest exemption on the grounds of being a student representative*

A borrower who is a full-time student representative in a national student organisation, or in connection with an educational establishment or student association, is entitled to interest exemption for the whole period or parts of the period if he or she is in office for at least three consecutive months and has a gross annual income within the limits in the table, see § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides up to and including the year the child turns 16.

Interest exemption on the grounds of being a student representative may be granted for up to twelve months.

§ 11-4 *Entitlement to interest exemption in case of leave of absence or through participation in EU's program for lifelong learning (LLP)*

A borrower who has leave of absence from studying and receives a study grant, or a borrower who is participating in a EU programme for lifelong learning (LLP) for a period of at least three months, is entitled to interest exemption for the whole period or parts of the period provided the gross annual income is within the limits in the table, cf. § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides up to and including the year the child turns 16.

Chapter 12 Interest exemption on social and financial grounds

§ 12-1 *Entitlement to interest exemption on social and financial grounds*

A borrower who satisfies one of the requirements under letter a-d below and who also has a gross annual income within the limits in the table in § 12-7 is entitled to interest exemption for the whole period or parts of the period. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides up to and including the year the child turns 16. The borrower must document the reason for the interest exemption application, cf. § 12-6.

a) Circumstances related to sickness and unemployment

A borrower who documents

1) sickness,
2) medical rehabilitation,
3) occupational rehabilitation,
4) time-limited disability benefit

5) work assessment allowance or
6) registered unemployment.

It is a condition that the circumstances last at least three consecutive months.

b) Military service or student at a military academy

A borrower who is doing military or civil service in Norway, a borrower who is a student at a military academy and citizens of EEA states who are doing military service in their home country.

It is a condition that the circumstances last at least three consecutive months.

c) Birth or adoption

A borrower who documents the birth of a child and postnatal parental leave. The parent caring for the child receives interest exemption for up to twelve months from the birth of the child. Under the same rules, on adoption of a child under the age of ten, interest exemption is granted for up to twelve months from the date of adoption. The interest exemption may be shared between the parents during periods when they share the childcare.

d) Care work

A borrower who provides care for someone for at least three consecutive months. Care work includes caring for children under the age of ten or caring for a disabled or functionally impaired person or an elderly person in the immediate family who needs constant care and attention. See also § 12-5. Children under the age of ten also include children who turn ten during 2013.

§ 12-2 *Entitlement to interest exemption based on receipt of financial benefits under the The Social Welfare Act, of The Norwegian Labour and Welfare Administration*

A borrower who documents that he or she has not received for at least three months consecutively any income other than financial benefits under § 18 of The Social Welfare Act, of The Norwegian Labour and Welfare Administration is entitled to interest exemption for the whole period or parts of the period if the gross annual income is within the limits in the table, cf. § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides until the year the child turns 16.

Interest exemption pursuant to this item may be granted for up to three years in total.

§ 12-3 *Entitlement to interest exemption based on full-time employment and low gross income*

A borrower who documents having worked full time for a period of twelve or more consecutive

months is entitled to interest exemption if the income is below the set limits, see second paragraph. Unpaid volunteer work does not entitle interest exemption.

Average monthly income must be NOK 13, 720 or less during the period. In addition, the gross annual income must not exceed the limits in the table, cf. § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides until the year the child turns 16. See also § 12-5.

Interest exemption pursuant to this item may be granted for up to three years in total.

§ 12-4 *Entitlement to interest exemption through imprisonment and low gross income*

A borrower who documents having served a prison sentence or having been in preventive detention for twelve or more consecutive months is entitled to interest exemption if his/her average gross monthly income is NOK 13, 720 or less during the same period. In addition, the gross annual income must not exceed the limits in the table, cf. § 12-7. There are separate income limits for previous years. The income threshold in the table is increased by NOK 12, 530 per year for each child for whom the borrower provides until the year the child turns 16. See also § 12-5.

§ 12-5 *Means testing of interest exemption against spouse's, partner's or co-habitant's income*

Interest exemption in accordance with § 12-1 d, § 12-3 and § 12-4 is means-tested against the income of the borrower's spouse, partner or co-habitant with whom the borrower has a child. Interest exemption is only granted to those whose own income falls below the threshold. It is a condition that the total gross annual income is less than NOK 462,590. This threshold is increased by NOK 25,080 per year for each child for whom the borrower provides until the year the child turns 16.

§ 12-6 *Requirement for documentation*

Both grounds and income must be documented for the period for which interest exemption is applied. Lånekassen collects documentation of gross annual income in Norway directly from the Norwegian tax authorities. For interest exemption based on full-time employment and low gross income or imprisonment and low gross income, borrower must submit documentation to monthly gross income. In addition, Lånekassen collects documentation of gross annual income from the tax authorities.

Gross annual income is all earnings for the year of assessment, before deductions, as it is presented on the tax assessment.

§ 12-7 *Table: limits for income for interest exemption 2013*

Number of months entitled to interest exemption	Annual income in NOK
1	282,591
2	277,924
3	273,258
4	268,589
5	263,923
6	259,255
7	254,588
8	249,921
9	245,254

10	240,586
11	235,919
12	231,252

Chapter 13 General matters concerning interest exemption

§ 13-1 *Interest exemption is granted in arrears*

Interest exemption is granted in arrears and for whole months (30 days).

§ 13-2 *Barring of interest exemption*

A claim for interest exemption applying to circumstances prior to 1 January 2010 is barred. An exception from this statutory limitation may be granted if specific circumstances prevent the application deadline from being met.

Chapter 14 Payment deferral

§ 14-*1 Deferral of instalments*

A deferral of payment of the entire instalment may be granted for up to three years, or up to six years for deferral of half the instalment; see also Chapters 17 and 4.
A payment deferral cannot be granted if the instalments are 1.5 times larger than the original instalment; see chapter 4.

§ 14-2 *Deferral of one instalment date*

As an exception, a payment deferral may be granted for one instalment, such that two instalments are paid on the next due date.

§ 14-3 *Entitlement to deferral of instalments in the case of interest exemption*

A borrower who satisfies the requirements for interest exemption is entitled to defer payment of the instalments during the same period; see also § 14-1 second paragraph and chapter 4. A borrower can be granted deferral of instalments before the tax assessment for the period in question is available if it is likely that the borrower will be entitled to interest exemption.

Chapter 15 Debt cancellation

§ 15-1 *Entitlement to cancellation in the case of permanent disability*

If the borrower becomes at least 50 per cent disabled and receives a permanent disability pension from the National Insurance Fund or a similar pension scheme abroad, the borrower is entitled to full cancellation of the debt if gross annual income is NOK 231,260 or less. If the gross annual income is between NOK 231,261 and NOK 348,880, the borrower is entitled to a partial cancellation of the debt and a reduction of the instalment, see table under. The thresholds are raised by NOK 12, 530 for each child for whom the borrower provides until the year the child turns 16.

All income and pension receipts must be documented, and a birth certificate must be provided for all children under the age of 16 for whom the borrower provides.

Gross annual income	New debt	New instalment
NOK 231,261 – 260,580	NOK 53,790	NOK 1,720
NOK 260,581 – 288,980	NOK 62,730	NOK 2,070

NOK 288,981 – 318,950	NOK 71,800	NOK 2,440
NOK 318,951 – 348,880	NOK 80,740	NOK 2,780

§ 15-2 *Cancellation in the case of long-term incapacity for work*

If the borrower at the time of submitting the application is completely unfit for work, cancellation and reduction of the debt may be granted in accordance with the same income thresholds as in § 15-1. Cancellation may be granted only if the borrower has been continuously disabled for the past six years, and still is at the time of application. The only period of unemployment considered, is from the last date the loan started accruing interest. Borrower must not have received medical rehabilitation benefit, occupational rehabilitation benefit, time-limited disability benefit or work assessment allowance during the period. § 15-3 *Revocation of a debt cancellation decision in the case of new support from Lånekassen*

If the borrower receives new support from Lånekassen in accordance with the regulations regarding the granting of educational support, the debt cancellation decision will be revoked. Cancelled interest will not be reactivated. If the decision was made more than ten years ago, it will not be revoked.

§ 15-4 *Rejection of an application for debt cancellation*

Lånekassen may reject an application for cancellation of support which the borrower has obtained without entitlement.

§ 15-5 *Cancellation on the basis of receipt of old-age pension*

If the borrower is awarded an old-age pension from the Norwegian National Insurance Fund or from a similar scheme abroad, the debt may in special circumstances be completely or partially cancelled.

The fact that the borrower has reached the age of 65 or has been paying for 20 years is not in itself a basis for cancellation of the debt.

Chapter 16 Duty of disclosure

§ 16-1 *The borrower's duty of disclosure*

The borrower is obliged to provide accurate and complete information to Lånekassen and notify changes in relation to that provided in the application.

§ 16-2 *Change of address must be notified*

The borrower is obliged to report any change of address to Lånekassen or to the Population Registry. Borrowers living abroad must notify Lånekassen directly of any change of address.

Chapter 17 Default on payment obligations and breach of duty of disclosure

§ 17-1 *Loss of entitlement to interest exemption, payment deferral and debt cancellation through breach of duty of disclosure*

If a borrower has wilfully or negligently breached the duty of disclosure and thereby received or attempted to be paid or credited with support to which the regulations regarding the granting of educational support do not provide entitlement, the borrower may lose the right to interest exemption, payment deferral and debt cancellation.

If a borrower has wilfully or negligently breached the duty of disclosure and thereby received interest exemption or debt cancellation to which the regulations do not provide entitlement, the borrower may lose the right to interest exemption, payment deferral and debt cancellation.

§ 17-2 *Loss of entitlement to interest exemption, payment deferral and debt cancellation through default of payment obligations*

If a borrower defaults in his or her payment obligations, the borrower may lose the right to interest exemption, payment deferral and debt cancellation.

§ 17-3 *Rejection of an application for new education through default on payment obligations*

If a borrower has defaulted on his or her payment obligations, Lånekassen may reject an application for support of new education in accordance with the regulations regarding the granting of educational support.