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SCOTTISH STATUTORY INSTRUMENTS

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**2000 No. 200**

**The Education (Student Loans) (Scotland) Regulations 2000**

**PART V**

**INTEREST AND INSOLVENCY**

**Interest**

**15.**—(1) Subject to paragraph (2), loans shall bear interest at the rate which, in relation to a loan made under these Regulations on or after 1st August 2000, will result in an annual percentage rate of charge determined in accordance with the Consumer Credit (Total Charge for Credit) Regulations 1980<sup>(1)</sup> equal to the percentage increase between the retail prices all items index published by the Office for National Statistics for March 1999 and that index so published for March 2000.

(2) If the rate referred to in paragraph (1) exceeds the rate for the time being specified for the purposes of any exemption conferred by virtue of section 16(5)(b) of the Consumer Credit Act 1974<sup>(2)</sup> loans shall bear interest at the rate so specified.

(3) Interest shall be calculated on the principal outstanding daily, and shall be added to the principal monthly.

(4) The index of prices that the Scottish Ministers shall have regard to in prescribing the rate of interest which loans shall bear shall be the retail prices all items index mentioned in paragraph (1).

**Insolvency**

**16.** Where after the date of sequestration of an eligible student's estate, he receives, or is entitled to receive, sums by way of loan—

- (a) the sheriff shall not, in fixing an amount under subsection (2) of section 32 of the Bankruptcy (Scotland) Act 1985<sup>(3)</sup> treat the sums as income of the eligible student;
- (b) for the purpose of subsection (6) of that section the sums shall not be treated as estate vesting in, or requiring to be conveyed or delivered to, the eligible student's permanent trustee; and
- (c) any debt or liability to which the eligible student is, or may become, subject in respect of the sums shall not be treated as a debt or liability—
  - (i) for the purposes of the sequestration (or of any offer of composition to the permanent trustee); or
  - (ii) from which the eligible student is discharged on the expiry of a period after the date of sequestration, under or by virtue of section 54 or 75(4) of that Act (or on an order being made under paragraph 11 of Schedule 4 to that Act as respects him and the permanent trustee).

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(1) S.I. 1980/51, amended by S.I. 1983/1562, 1989/596.

(2) 1974 c. 39.

(3) 1985 c. 66; section 32 was amended by the Child Support Act 1991 (c. 48), Schedule 5, paragraph 6, and the Pensions Act 1995 (c. 26), Schedule 3, paragraph 14.

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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