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STATUTORY INSTRUMENTS

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**2000 No. 944**

**Education (Student Loans) (Repayment) Regulations 2000**

**PART II**

**PROVISIONS APPLICABLE TO ALL REPAYMENTS**

**Interest and penalties**

**10.**—(1) Interest or penalties charged under Parts III or IV shall not be added to the principal outstanding, and payment of such interest or penalties shall not be credited against the principal outstanding.

(2) Any repayment received by the Secretary of State shall be applied by him in reduction or in satisfaction of:

- (a) first, any outstanding penalties or charges under Part V,
- (b) second, any outstanding interest, and
- (c) third, any outstanding principal, which shall be reduced or satisfied from the date of receipt.