

# FAQs on Terms and Conditions of Service Obligation Scheme for International Post-graduate Students Admitted To Institutes of Higher Learning (IHLs)

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# Terms and Conditions of Service Obligation Scheme for International Post-graduate Students admitted to Institutes of Higher Learning (IHLs)

## *Freshmen / Newly Admitted Students*

### **Application for Service Obligation Scheme**

#### Q1 Am I eligible to apply for the Service Obligation Scheme?

Post-graduate students, who do not already hold a MOE-subsidised Post-graduate degree or higher qualifications, are eligible to apply for the scheme. Eligible applicants are to receive subsidy up to the maximum course candidature of their courses.

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#### Q2 How do I apply for the Service Obligation Scheme?

Application for the Service Obligation Scheme can only be done online at this website, <http://sam11.moe.gov.sg/tass>, during the allocated online application period. You can refer to the [online application manual](#) for instructions on how to complete the online application form.

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#### Q3 When is the online application period?

Please refer to the enrolment letter which can be found in your matriculation package for more details on the Service Obligation Scheme online application period. Alternatively, you may wish to check with the officer-in-charge from the respective universities.

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#### Q4 I have applied for Service Obligation Scheme online but I need to make changes, can I re-submit my application?

Yes, as long as it is still within the online application period, the system will capture the latest submission.

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#### Q5 If I missed the online application period, what will happen?

Students who did not apply for the Service Obligation Scheme and complete the Service Obligation Agreement signing successfully by the given dates will have to pay 2.5 times of the fees payable by Singapore Citizen. Students are however, allowed to apply for the Service Obligation in their next year of studies and still be bonded for 3 years. Refer to [Q10](#).

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### **Suretias**

#### Q6 Do I have to provide surety/suretias for the Service Obligation Scheme?

Yes, you are required to provide 2 sureties.

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#### Q7 Who can be my sureties and what are their obligations?

To be a surety under the Service Obligation Scheme, the person must meet both conditions:

- i. He/ she must be above 21 and below 65 years of age; and
- ii. He / she must not be an un-discharged bankrupt.

Students and their sureties are jointly & severally liable to pay the Liquidated Damages (LD) if the students did not complete serving their Service Obligation bonds and did not receive approval from our Ministry for early release.

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Q8 What if my sureties are unable to sign the Service Obligation Agreement in Singapore?

You can collect the Service Obligation Agreement to allow your surety/sureties to sign in the presence of the notary public, commissioner of oaths or lawyer. Please refer to the [notary public booklet](#) for more information.

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Q9 What if I want to change one or both of my sureties or if they wish to withdraw, after they have signed the Service Obligation Agreement?

You will need to fill up the [change of surety form](#) and send it to [Tuition Grant Unit](#). You are only allowed to make change **once** (regardless of whether the change is for one surety or both sureties), after the execution of the Service Obligation Agreement. Thereafter, no change of surety/sureties will be allowed unless they fall within the [terms and conditions](#) as stipulated in the Service Obligation Agreement.

You will be contacted for execution of the Supplemental Agreement at MOE once the change request has been approved. For change of:

- 1 surety → the remaining surety, new surety, replaced surety and the student are required to execute the Supplemental Agreement.
- 2 sureties → both new sureties, replaced sureties and the student will have to sign the Supplemental Agreement.

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### **Service Obligation Scheme obligations**

Q10 If I accept the Service Obligation Scheme, what will be my obligations?

You will be bonded to work in Singapore-registered companies for a period of 3 years upon your graduation.

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Q11 Can I take up Service Obligation Scheme only in my 2<sup>nd</sup> / 3<sup>rd</sup> year of studies? If so, how many years of bond do I need to serve?

Yes. You can still apply for the Service Obligation Scheme in your 2<sup>nd</sup> / 3<sup>rd</sup> year of studies. However, your bond will still be for 3 years. Please check with the officer-in-charge from the respective universities.

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Q12 I am currently studying in the University. If I wish to terminate my studies or if I am dismissed from the Institution, do I have to pay Liquidated Damages (LD)?

No LD payment is required.

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Q13 I am a second year student. I received subsidies in my 1st year but wish to reject Service Obligation Scheme now. What will happen to my bond?

You will have to pay back the subsidies that you have received plus interest charged at the **bank's prime rate**. A release letter will be issued after we have received the payment.

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## Course Transfer

Q14 I am a student at the university (NUS/NTU/SMU), will I be eligible for the Service Obligation Scheme if I change to another course either within or across the University?

Yes, you will be eligible to receive MOE subsidy for the new course up to maximum course candidature less number of semesters of MOE subsidy received for the previous course. Please check with the respective University on your Service Obligation Scheme eligibility.

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## *Graduating Students / Graduates*

### Employment

Q15 Do I have to surrender my student pass after graduation? How can I remain in Singapore to seek employment?

Upon expiry of your Student Pass (STP), you can apply to the [Immigration & Checkpoints Authority \(ICA\)](#) for a Social Visit Pass (SVP) to remain in Singapore to seek employment. You will have to produce your Service Obligation Agreement to ICA for the SVP application. Please provide a certified true copy of the Service Obligation Agreement to ICA when requested, as you are required to keep the original copy till you have completed the bond. Once you have secured a permanent job, you will be issued with a work pass and your STP/SVP will be cancelled.

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Q16 What types of employment will count towards serving of the Service Obligation bond?

The following types of employment will be counted towards serving of the Service Obligation bond:

- a) Local employment with a Singapore-registered company which is a:
  - i. full-time employment (including contract and temporary positions);
  - ii. part-time employment (2 days of part-time employment with a minimum of 4 hours of work per day, will be counted as serving 1 full day of the Service Obligation bond);
  - iii. self-employment and which the company is registered with [Accounting & Corporate Regulatory Authority \(ACRA\)](#); or
  - iv. training/attachments where you receive some form of payments and the training/attachment is not part of the subsidized course.
- b) Overseas employment which is a:
  - i. **full-time** employment as seconded by Singapore-based company and you remain on Singapore's company payroll;
  - ii. **full-time** employment by an overseas subsidiary or a joint venture of a Singapore-based company, where the overseas subsidiary company or joint venture is owned more than 50% by the Singapore-based company;
  - iii. **full-time** employment by a representative office overseas that is set up wholly by the Singapore-based company, and you remain on Singapore's company payroll. If your salary is paid by the overseas representative office, the overseas period can be counted towards serving the Service Obligation bond if the representative office's operating cash flow is funded from the Singapore-based company.

Your employment does not have to be related to your field of study in the Institution.

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Q17 Is giving tuition considered as serving the bond?

Giving private tuition is not considered as serving the bond. However, being employed **full-time** at a tuition centre which is registered in Singapore would be counted towards serving the bond.

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Q18 To fulfill my bond obligation, do I have to remain in the same company for the entire bond period of 36 months?

No, your bond obligations only require you to be employed in any Singapore registered company for a cumulative period of 36 months. You do not need to remain in the same company for the entire 36 months.

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Q19 While serving out my bond obligation, do I have to pay part of my salary earned to MOE?

No. To serve out the bond obligations, you are only required to work for 3 years (36 months) in Singapore-registered companies.

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Q20 Will full-time/part-time employment during the period of my studies considered as serving the bond obligation?

No. only employment period after graduation will be counted as serving towards the 3-year bond period.

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Q21 Whom do I inform once I am employed or if there is any change to my employment status?

Please write in to the [Tuition Grant Unit](#), using the [attached form](#), enclosing **certified-true copies** of letters from your previous and current employer(s) indicating the dates of commencement and cessation of employment (if any).

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## **Deferment of Service Obligation Bond**

Q22 What are the deferment criteria if I wish to defer my Service Obligation bond for further studies?

You will be allowed to defer your bond as long as you have gained admission to a course in an academic institution, either local or overseas. However, if you wish to pursue further studies at institutions other than the [10 IHLs](#), you will be required to provide a security option.

For the deferment period, you can choose either:-

- to provide a [Banker's Guarantee \(BG\)](#); or
- to provide [2 sureties](#) to execute a Supplemental/Variation agreement.

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Q23 How do I apply for deferment? What will happen to my bond obligation?

There are 2 types of deferment for further studies:

### ***For Service Obligation Scheme recipients graduated from local universities pursuing post-graduate degree courses in NUS, NTU or SMU***

You can apply for admission directly to the University. Upon completion of your further studies, you will be required to serve out the remaining bond obligation outstanding at the point of deferment.

### ***For Service Obligation Scheme recipients pursuing courses in local private institutions or overseas institutions***

You are required to fill up the [deferral form](#) and submit it together with the required documents to [Tuition Grant Unit](#) **at least 6 weeks before** the commencement of your deferment period. Approval for your deferment is subject to you providing a Banker's Guarantee (BG) or [2 sureties](#) to execute the Supplemental/Variation Agreement. Upon completion of your further studies, you will be required to serve out the remaining bond obligation outstanding at the point of deferment.

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#### Q24 How is the amount of Banker's Guarantee (BG) computed?

The required BG will be of the same amount as the Liquidated Damages (LD). The BG amount will be reduced proportionately if you have served part of your bond. Refer to [Q25](#) for LD computation.

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#### Q25 What is the procedure required if I wish to extend my deferment period?

You may apply for an extension of the deferment period using the [application for deferment form](#) together with certified true copies of all the necessary documents. Your application should reach us at **at least 6 weeks before** the extended deferment period commences.

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### **Release/ Discharge from Service Obligation bond**

#### Q26 How can I buy-off my bond and how is the Liquidated Damages (LD) calculated?

Please write in to the [Tuition Grant Unit](#) enclosed with the following documents:

- i. Duly completed [application form](#) for buying out your bond; **and**
- ii. Letter(s) from employer(s) stating commencement and cessation dates (if any).

LD will be computed based on MOE subsidies that you have received plus 10% compounded interest per annum. The LD amount will be reduced proportionately if you have served part of your bond.

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#### Q27 I have completed the 3-year Service Obligation bond and wish to be discharged, what should I do?

You should write in to the [Tuition Grant Unit](#) using the [update employment form](#), enclosing all the relevant documents. A discharge letter will be sent to you after we have verified that you have completed serving the 3-year bond.

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#### Q28 Do I still have to serve my bond after I have obtained Singapore Citizenship or Singapore Permanent Resident?

If you have obtained Singapore Citizenship or Singapore Permanent Resident, please write in to the [Tuition Grant Unit](#) using the [attached form](#), enclosing a certified-true copy of your citizenship certificate or identification card. Upon verification, a release letter will be sent to you and your 2 sureties.

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#### Q29 Who do I contact if I have further queries?

For further queries, you may contact our MOE Customer Service officers at 6872 2220 during office hours.

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Q30 How can I update changes to my personal or sureties' particulars?  
You can write in to the [Tuition Grant Unit](#) using the [update particulars form](#).

### Q31 TG Unit's mailing address

Tuition Grant Unit  
Level 15, Office Tower  
Ministry of Education  
1 North Buona Vista Drive  
Singapore 138675

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### Extracted clause from Service Obligation Agreement – Change of Surety/Sureties

“It is further expressly agreed by and between the Student and the Sureties and the Government that if at any time during the currency of this Agreement either of the Sureties shall die or cease to reside within or remain out of their respective Country of Residency for more than twelve (12) consecutive months or shall become insolvent (the duty of reporting any such events to the Government being hereby placed on the Student) then and in such an event the Student and the remaining Surety or either of them shall substitute a new Surety who is acceptable to the Government and who shall be ready and willing to substitute for and take over the obligations herein contained of the Surety who has died, ceased to reside within or remained out of their respective Country of Residency as aforesaid or has become insolvent.”

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### The 11 Institutes of Higher Learning (IHLs) are:

National University of Singapore (NUS), Nanyang Technological University (NTU), Singapore Management University (SMU), Nanyang Polytechnic (NYP), Ngee Ann Polytechnic (NP), Temasek Polytechnic (TP), Singapore Polytechnic (SP), Republic Polytechnic (RP), Institute of Technical Education (ITE), Nanyang Academy of Fine Arts (NAFA) and LASALLE College of the Arts (LASALLE).

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### Surety's Criteria for signing **Supplemental/Variation Agreement for Deferment of Service Obligation bond**:

The surety must :

- i. be Singapore citizens or Singapore Permanent Residents;
- ii. be above 21 but below 55 years of age;
- iii. not be parties to any scholarship/bursary bond/study loans;
- iv. not earn less than S\$1,000/month; and
- v. not be a bankrupt.

*Where the 2 sureties who sign the Supplemental/Variation Agreement for deferment of Service Obligation bond can be the same sureties who signed the Principal Agreement.*

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