

**Sliding Scale of Asset Value for Discounting Grant and Loan Assistance
for 2009/10 application**

Net Asset Value per Family Member (HK\$)	Discount Factor of Grant/Loans Assistance
Over \$544,000	-100% (i.e. no assistance)
\$457,001 to \$544,000	-80%
\$370,001 to \$457,000	-60%
\$292,001 to \$370,000	-40%
\$193,001 to \$292,000	-20%
\$193,000 or below	-0% (i.e. no reduction of assistance)

Example (For an unmarried applicant):

Parents' annual income	\$160,000
Annual income of unmarried sibling	\$130,000
Deductible medical expenses	Nil
Family size	4
Net asset value of applicant and parents (not counting the first home)	\$1,050,000
AFI $(\$160,000 + \$130,000 \times 30\%) \div (4 \text{ members} + 1)$	\$39,800
Per capita asset value $(\$1,050,000 \div 4)$	\$262,500
Maximum grant (assumed)	\$50,000
(i.e. tuition fee + academic expenses + compulsory union fee)	
Maximum loan	\$36,880
 Income test (First tier)	
Entitled grant $(\$50,000 \times 28\%)$	\$14,000
Entitled loan $(\$36,880 \times 24\%)$	\$8,851
	(rounded down to \$8,850)
 Asset test (Second tier)	
Entitled grant $(\$14,000 \times 80\%)$	\$11,200
Entitled loan $(\$8,850 \times 80\%)$	\$7,080