



COMPOSITION FEES SCHEME – OVERVIEW & CONDITIONS

Introduction

1. This scheme which has been authorised by the Governors of Hazelwood School (“the School”) is designed to enable families, or companies on behalf of families, to make an advance payment of school fees, **for a minimum of two years**, for a named child or named children, and in exchange to receive a fair and reasonable discount. This is called a Composition Fee Scheme.

An advance payment of one full academic year (three terms) can still be made as a lump sum. In this instance, the investment is, from September 2018, not eligible for the discount.

2. Under current legislation, neither the School nor the Payer are liable for tax in relation to the Composition Fee Scheme Fund which includes the addition of accrued discount. A provision is made regarding changes in legislation at paragraph 15.

General Conditions

3. Definitions

a. *“Parent”* means a person with parental responsibility for the child and includes a legal guardian appointed under the Children Act 1989 but not a person acting solely as education guardian.

b. *“Payer”* means the person/s (whether a parent or any other person acting on behalf of the parents and with the consent of the parents) from whom a Composition Fee Scheme payment is received by the School. If there is more than one Payer, their rights and obligations under this Scheme are joint and several. The Payer is encouraged to take independent financial and/or legal advice before making the payment.

c. *“Fund”* means the total of monies allocated by the payer to the School in respect of the nominated Composition Fee Scheme, less any withdrawals to cover fees, plus any allocated discount in accordance with the provisions of this agreement.

d. *“Fund Schedule”* is a document produced by the School, normally as a quote in the first instance, showing the required Composition Fee Scheme Fund investment, against an estimate of fees and, if applicable, Extras over the required period, together with accrued discount. The assessment of fees due can be calculated, if the payer so wishes, by adding a provision for an annual fee increase. This estimate is made by the School as a provision only and does not necessarily signify amounts actually approved by the Board of Governors. The schedule allows the Payer to assess the state of the Fund on a termly basis.

e. *“Discount”* is the value calculated by the School and credited to the Composition Fee Scheme Fund at the start of each term. The rate is set in context of prevailing market conditions and is ratified by the Governors in June of each year. Any year on year change in the rate will be effective from the following September. Only in exceptional circumstances would the Governors consider changing the rate during the academic year. Payers will be informed of any rate changes prior to their coming into effect.

4. Identity of the Payer

The Money Laundering Regulations 1993 (as amended) require the School to satisfy itself of the identity of anyone making certain types of payment. The School may therefore ask the Payer to produce proof of identity, such as a passport, before a Composition Fee Scheme can be accepted. It may also seek verification of the source of funds.

5. Contractual Matters

The Parental Contract and the Schedule of Fees of the School, as varied from time to time, apply to and are incorporated in this Scheme. A Payer who is not also a Parent shall not acquire any rights or obligations under the terms of the School’s contract with the Parent save as provided in these Scheme Conditions.

6. Admission of the Pupil

Whether or not a Composition Fee Scheme payment of fees has been made, admission to the School (where the child has not yet entered) and the right to remain at the School are subject to the Parental Contract and other admission requirements notified at the time, and to satisfactory academic standards and conduct.

7. Ownership of the Composition Fee Scheme Fund

Once a Scheme Agreement is signed in accordance with these conditions, the Fund becomes the property of the School. Any remaining balance shall be refunded to the payer by the School on request given due notice, and/or it

may be transferred to another school (Paragraph 14 refers). The monies shall form part of the general funds of the School.

8. Fund Employment

The Composition Fee Scheme Fund will cover all basic tuition fees in respect of the pupil as defined in Schedule of Fees from time to time. If the payer so elects, the fund can also cover the payment of Extras. The fund shall also be used to pay for a Term's Fees in Lieu of Notice where appropriate under the Parents' Contract.

9. The Composition Fee Scheme Fund will not cover the registration fee and deposit required per child.

10. School Terms

For the purposes of this Scheme, School terms are deemed to start on 1 September, 1 January and 1 May in each year.

11. Crediting the Pupil's Account

While the terms and conditions of this Scheme apply, the pupil's account will be credited term by term with payment of the fees that are covered by the Composition Fee Scheme Fund, as they fall due for payment on the first day of each term.

12. Absence from School

Absence during term time through illness, suspension, or for any other reason will, for the purposes of this Scheme, be treated as time spent at the School.

13. Scholarships, Bursaries & Grants

The value of any scholarship or bursary or any other approved grant providing financial benefit to the Parent and/or Payer is deducted from the fee payable before the applying the deemed payment from the fund.

14. Transfer to Another School

The School will, upon written request from the Parent, Payer and from another school, pay the balance remaining of the Composition Fee Scheme Fund to any other fee-paying school to which the pupil is transferred, provided that at least one term's notice is given.

15. Changes in the Law

Should a change in the law in respect of tax, significantly alter the conditions of this agreement, the Payer will have the right to either continue the Scheme, as amended under the School's new conditions, or to terminate it with the appropriate notice of one term.

16. Disputes between Parents and Payer

Should a dispute arise between the Payer and the Parents or between the Parents themselves as to the continued education of the pupil, the balance of the funds shall be held by the School until the dispute has been resolved by agreement or court order duly served on the School. While the money is held, the School will continue to credit the pupil's account at the start of each term with discount until the pupil has left the School after which no discount will be applied.

17. Confidentiality

The School shall be at liberty to provide all relevant information about the operation of this Scheme to the Parents. In all other respects and unless the School receives and accepts instructions to the contrary, it will be assumed that the Parents and the Payer are in each other's full confidence as to all matters concerning this Scheme.

18. Jurisdiction

This contract was made at the School and is governed exclusively by English Law and the courts of England.

19. Information Provided by the School

No statement or other information provided by the School, whether written or oral, shall be, or shall be treated as financial or investment advice.

NICK TAPPIN
Bursar