

POLICY	FINANCIAL AND PAYMENT POLICY
APPROVED	SEPTEMBER 2020
REVIEWED	SEPTEMBER 2020
VERSION	2

1. INTRODUCTION

➤ Purpose

The purpose of this policy is **to ensure that fees due to the School are paid when they are due** and to create a procedure to deal with instances where fees are not paid. Failure to pay fees on time places a considerable and unnecessary burden on the School as our ability to meet our own financial obligations is compromised.

➤ Defined terms

Terms defined in the School's Enrolment Agreement (version 1 of 2020) will have the same meanings when used in this policy which can be found on the School's website at <https://www.broadacres.com/policies/>.

➤ Incorporation by reference

The provisions of this policy (as amended from time to time) form part of the Enrolment Agreements (in which ever form and however titled or defined) concluded between Parents and/or Payers and the School from time to time, and is deemed to be incorporated by reference into the Enrolment Agreements.

➤ Amendments

This policy may be amended from time to time, at the sole discretion of the School,

and will remain binding on Parents, Payers and Pupils despite any such amendments.

➤ **Inconsistency**

To the extent of any inconsistency between the Enrolment Agreement concluded with Parents and/or Parents (in which ever form and however titled or defined) and this policy, the terms and conditions of this policy will prevail.

2. CREDIT CHECKS

➤ The School is registered with TPN (a Registered Credit Bureau) and various credit bureau partners, and Parents/Payers agree that the School may perform a credit check at any time they deem it necessary. The School reserves the right to refuse admission (i) based on the credit scoring received from TPN or any other credit bureau and/or (ii) if any school fees due and payable to any school that the Pupil attended prior to the School, remain outstanding. The School reserves the right to not divulge the full details as received from TPN or any other credit bureau to any applicant.

➤ The School also reserves the right to update TPN to reflect payments of Fees made by Payers. In this way, all payments made on or before the due date of payment will have a positive effect on the credit score of Payers, but Fees paid after the due date of payment (without the prior written consent of the School), will have a negative effect on the credit score of Payers.

3. FEES

➤ **Non-refundable Application Fee**

Applications for enrolment will require payment of a non-refundable application fee in an amount to be determined from time to time and reflected on the application form.

➤ **Non-refundable Enrolment Fee**

Payment of the Enrolment Fee will secure a Pupil's place at the School after receiving an Offer of Placement, provided that all school fees due and payable to any school the Pupil attended prior to the School have been fully paid up. Failure to make payment of the Enrolment Fee will result in the space being forfeited and offered to another Pupil.

➤ **Aftercare Fees**

Should Parents elect for a Pupil to attend Aftercare, Aftercare Fees will be payable together with School Fees.

➤ **School Fees**

Payers are entitled to elect, upon signature of the Enrolment Agreement and prior to the beginning of each school year, to pay School Fees in installments either annually, termly or monthly.

➤ **Additional Fees**

- School Fees are not all-inclusive, and the School will be reimbursed for all Additional Fees due in respect of a Pupil.
- Additional Fees will include Late Collection Penalties. The Late Collection Penalty shall, in each case of a Pupil being collected late, be calculated as follows:
 - R50 for the first 15 minutes; and
 - R100 for each 15 minute period after that.

➤ **Cancellation Fee**

Should Parents wish to cancel (i) the Enrolment Agreement in its entirety or (ii) attendance of a Pupil at Aftercare, in each case without giving the required notice in terms of the Enrolment Agreement, a Cancellation Fee equal to 3 months' worth of School Fees or Aftercare Fees, as the case may be, will be payable.

4. PAYMENT OF FEES

➤ **Payment of the Application Fee**

The Application Fee will be payable upon application to the School for placement of a Pupil.

➤ **Payment of the Enrolment Fee**

The full non-refundable Enrolment Fee becomes payable immediately upon

acceptance of the Offer of Placement.

➤ **Payment of School Fees**

School Fees elected to be paid:

- annually, will be payable in advance by no later than the 1st academic day of the year;
- termly, will be payable in advance by no later than the 1st day of each new Term;
- monthly, will be payable in advance by no later than the 1st day of the month over 11 months from January to November.

➤ **Payment of Aftercare Fees**

Aftercare Fees will be payable together with School Fees in accordance with the election made by Parents.

➤ **Payment of Additional Fees**

Additional Fees are payable in arrears by no later than the 1st day of the month following the applicable monthly invoice.

➤ **Payment of the Cancellation Fee**

If a Cancellation Fee is payable as contemplated above, such fee is payable within 7 days from the date upon which Parents provide notice of cancellation to the School or withdraw the Pupil from the School or Aftercare, as the case may be.

➤ **Discounts**

The following discounts will apply:

General Discount

Should Payers make full payment of the annual School Fees by the 1st academic day of the year, they will receive a 5% discount on the School Fees. No discounts will be applicable in the event of payment being received after the 1st academic day of the year.

Sibling Discount

- Payers will receive a 2.5% discount on the annual School Fees for the enrolment

of siblings.

➤ **Invoices**

- Monthly and termly invoices will be prepared and circulated to parents by the 25th of the month prior to payment.
- Additional Fees will be invoiced monthly together with any other School Fees that may be payable.
- Annual fees will be invoiced at enrolment or by the end of the first week of December prior to the start of the new school year, as the case may be.

➤ **Debit orders and EFT payments**

- With effect from 1 January 2021, monthly School Fees will be required to be paid by way of debit order only. Debit order forms will be included with the Enrolment Agreement and are required to be signed as part of the acceptance of an Offer of Placement process.
- Payers may make an application to the School to allow the monthly School Fees to be paid by way of EFT (electronic funds transfer). To apply for this exception, Payers will be required to provide solid motivation to be excluded from the debit order policy. Should a Payer be approved to pay School Fees *via* EFT but fail twice to pay on or before any due date for payment, then the School retains the right to effect a debit order against such Payer's bank account for all subsequent payments by using the applicable debit order authorisation form signed at enrolment of the Pupil and the Payer undertakes, upon request from the School, to complete any other necessary forms to make payment by way of debit order.
- Payers electing to pay School Fees on a termly basis may elect to make payment by way of debit order.
- The following payments may be made *via* EFT:
 - Arrear payments and bounced debit order payments.
 - Annual and termly advance payments of School Fees.
 - Additional payments where School Fees are settled annually or termly.

➤ **Interest**

Any Fee or other monies owing by Payers to the School not paid on or before the due date will bear interest at the maximum rate of interest for incidental credit prescribed from time to time in terms of the National Credit Act, Act 34 of 2005 (“NCA”), or at such lesser rate as the School determines from time to time in its sole discretion. Interest not paid to the School by the last day of the month in respect of which such interest accrues will bear further interest at the same rate.

➤ **Additional charges**

- No Fees (in particular School Fees) may be paid *via* point of sale devices, save for arrears and incidental payments (which shall include payments of the Application Fee and Enrolment Fee). Any such payments made *via* a point of a sale device will attract a 2.5% levy due to higher bank fees.
- The School does not accept any cash payments on its school premises. Cash payments made into the School’s bank account will attract a 3% cash payment levy due to the higher bank fees.
- Monthly School Fees settled *via* EFT transactions will incur a R50 administration charge per transaction.
- The School reserves the right to (at its sole discretion) charge the following administrative penalties due to the higher administrative costs incurred by the School:
 - Unsuccessful or returned debit orders (in addition to the Debit Order Rejection Penalty Fee): R150.
 - Late payment charge: R150.
 - Payment into the incorrect bank account (i.e. wrong school): R150.
 - Incorrect payment reference penalty: R150.

➤ **Collection costs**

The School will be entitled to recover default administration costs and collection costs, as contemplated in the NCA, including legal costs on the attorney and client scale and collection commission to the extent permitted by the NCA, from Payers.

5. SCHOOL FEES PAYMENT ADJUSTMENT AGREEMENT

Should Payers fall into financial difficulty and be unable to meet their payment obligations in terms of the Enrolment Agreement and this policy, Payers may request the School to consider a more suitable fee payment plan for such Payers and conclude a payment adjustment agreement in respect of School Fees with such Payers ("**School Fees Payment Adjustment Agreement**"), provided that all Fees would be due and payable within the current calendar year. Only Payers with previous sound financial records would be eligible for this arrangement.

6. PROCEDURE IN RESPECT OF OUTSTANDING FEES

Notwithstanding anything contrary contained in this policy, if any School Fees remain outstanding as at the 1st of December, the School reserves the right to terminate the applicable Enrolment Agreement for the following year.

In addition to the School's other rights in terms of the Enrolment Agreement and this policy, if Fees are overdue, then the following process will be followed by the School:

➤ **First and second month:**

- An automated reminder from the School's Xero Accounting System will be emailed to Payers in arrears followed up with telephone call(s) from the School's collection team.
- The School reserves the right to submit details of Payers' non-performance with its credit bureaus, which may share such information with other credit providers and their customers for prescribed purposes and may have a negative effect on the credit score of such Payers.
- Payers will receive an official notice from its credit bureaus, notifying them that their credit record has been adversely impacted by the non-payment of the Fees owing.

➤ **Third month:**

- Should Fees be outstanding for 60 days or more, then the School will:
 - continue to contact the Parents/Payers to arrange for the payment of the amounts in arrears and/or the conclusion of an agreement pursuant to which the School and the Parents/Payers agree an adjustment to the required payment of School Fees ("**Arrear Fees Payment Agreement**");

- issue a conditional cancellation of Enrolment Agreement notice (“**Conditional Cancellation Notice**”) providing for the conditional cancellation of the Enrolment Agreement should the Parents/Payers fail to:
(i) make timeous payment of the required outstanding payments made;
and/or (ii) conclude an acceptable Arrear Fees Payment Agreement with the School; and
- Parents and Pupil/s will be invited to provide the School with representations as to the likely effect that cancellation of the Enrolment Agreement will have on the Pupil’s right to basic education, which representations shall be considered by the School in its determination on whether cancellation of the Enrolment Agreement is justifiable in the circumstances.

➤ **Failure to make payment in terms of Conditional Cancellation Notice, School Fees Payment Adjustment Agreement or Arrear Fees Payment Agreement:**

Should a Payer fail to: (i) make full payment of outstanding Fees and any penalties as required pursuant to a School Fees Payment Adjustment Agreement, a Conditional Cancellation Notice and/or a Arrear Fees Payment Agreement; or (ii) at any time fail to comply with the terms of any School Fees Payment Adjustment Agreement or Arrear Fees Payment Agreement:

- the School will make one final call to arrange for immediate payment of all outstanding Fees; and
- should the payment default continue, then:
 - a formal letter of demand for the payment of outstanding Fees will be issued to Payers by an external accredited debt collection company; and
 - the School may elect to notify the Parents in writing of the cancellation of the Enrolment Agreement and the Pupil’s enrolment at the School in accordance with the Enrolment Agreement.