



Scots College Incorporated – Education Fees Protection Policy

Background:

- a) Scots College will operate an Education Fees Protection Scheme;
- b) The purpose of the Scheme is to enable a Student to continue their education at Scots College if the Student's Guardian dies or becomes disabled so as to be unable to pay fees, by receiving fully subsidised Student's tuition (and if applicable, boarding fees);
- c) If a Guardian(s) is accepted to join the Scheme in accordance with the provisions of this Policy the Student will be entitled to receive the benefit of the Scheme in accordance with clause 10;
- d) This Policy confers on a Student an entitlement to the benefit only of the Fund and only according to the terms and conditions of this Policy.

Policy:

The Board of Governors of Scots College Incorporated will operate a Scheme on the following basis:

1. Interpretation

1.1. Definitions:

“Admission” means the time when a Student commences attendance at the College;

“Application” or **“Application Form”** means the Application to join the Scheme and refers to the Application Form attached in Appendix 1;

“Approved Documents” means the documents referred to in clause 4.1;

“Board” means the Board of Governors of Scots College Incorporated;

“Boarding Fees” means fees payable for accommodation at the College's boarding house;

“Claim” means a claim made in respect of a Student on the occurrence of an event described in clause 10;

“College” and **“Scots College”** means Scots College Incorporated, and the school operated by Scots College Incorporated, and includes, where applicable, the Board;

“Commencement Date” means the 1st day of January 2017, updated on 1 January 2023;

“Disablement” means Permanent Disablement or Long Term Disablement;

“Domestic Student” has the meaning provided in section 2 of the Education Act 1989;

“Guardian” means a natural person who has custody or responsibility of a current Student whether a parent of the Student or not, and who is accepted by the Board as a Guardian of a Student in accordance with the provisions of this Policy or as defined in section 15 of the Care of Children Act 2004;

“Headmaster” means the duly appointed headmaster of the College, holding office from time-to-time;

“Long Term Disablement” means a condition by which a person is incapacitated by illness or accident and, as a result of that incapacity is completely unable to engage in the occupation or carry on the business he or she was involved in prior to becoming incapacitated and is disabled to such an extent that it is unlikely that he or she will be able to



work in his or her occupation or engage in any other gainful employment for which he or she may be reasonably suited by education, training or experience for a period of one year or more;

“Permanent Disablement” means a condition by which a person becomes totally incapacitated by illness or accident and, as a result of that incapacity is unable to engage in the occupation or carry on the business he or she was involved in prior to becoming incapacitated, and it is unlikely that he or she will be able to work again in his or her occupation or engage in any other gainful employment for which he or she may be reasonably suited by education, training or experience;

“Policy” means this Education Fees Protection Policy;

“Previous Policies” mean all previous policies of the College regarding payment of fees after the death or disablement of a Guardian;

“Pre-existing medical condition” means any illness or injury of which the Guardian is aware, or of which a reasonable person in the Guardian’s circumstances ought to have been aware, for which advice (including awaiting test results), care, treatment, medication or medical attention has been sought, given, or recommended within the last 3 years, regardless of whether a medical diagnosis has been made;

“Scheme” means the operation by the Board of a scheme known as the **“Education Fees Protection”** to be administered by the Board, subject to this Policy, to enable a Student at Scots College to continue his education in the event of the death or disablement of his Guardian or Guardians;

“Student” means a student who has commenced his attendance at the College;

“Tuition Fees” means fees payable in respect of a Student’s tuition as defined by the Board during the academic year.

1.2. In this Policy:

- (a) clause headings are for reference purposes only;
- (b) references to any person shall include that person’s executors, administrators and successors.

Governance of the Scheme

2. Establishment and maintenance of the Scheme

- 2.1. The purpose of the Scheme is to enable a Student to continue their education at the College if the Student’s Guardian dies or becomes disabled so as to be unable to pay fees, by subsidising in full or in part the Student’s tuition fees (and if applicable, boarding fees).
- 2.2. The College will establish a reserve at the beginning of each year sufficient to meet existing claims under the Scheme and expected new claims, as determined by an Actuary. The College will use reasonable endeavours to ensure there is sufficient funding to meet claims under this policy.
- 2.3. The Scheme is open to all Students of the College whose Guardians have completed the Application form.

3. Governance of the Scheme and Management of the Policy

- 3.1. Governance of the Scheme and management shall be the responsibility of the Board and in respect of such responsibilities the Board’s decision is final.
- 3.2. The Board retains the right to delegate. However, the following shall remain the sole responsibility of the Board and as such cannot be delegated:



- (a) any changes to this Policy;
 - (b) any changes to Approved Documents under clause 4 of this Policy;
 - (c) accountability to the members of Scots College Incorporated;
 - (d) approval of applications to commence Guardianship per clause 12;
 - (e) approval of the granting of a benefit under the Scheme to a Student, in the event of the death or disablement of a Guardian.
- 3.3. The investigation of claims by or on behalf of a Student to receive a benefit under the Scheme is delegated to the Finance and Risk sub-committee of the Board, who shall report their findings to the Board at its next meeting.
- 3.4. The Board delegates to the Headmaster responsibility as follows:
- (a) ensuring that in each case, the Application Form is properly completed and signed by the Guardian(s) concerned and that all relevant information is provided;
 - (b) maintaining records of those Students who receive a benefit under the Scheme in the event of the death or disablement of a Guardian of the Student;
 - (c) reporting to the Board any application made by or on behalf of any Student or family to receive a benefit under the Scheme;
 - (d) ensuring the Scheme meets all accounting and audit requirements, and making reports as required by the Board;
 - (e) dealing with any enquiries from Guardians;
 - (f) observation of all requirements relating to privacy matters in accordance with the College's Privacy Policies.
- 3.5. The Headmaster may delegate in writing any of responsibilities referred to in clause 3.4 to senior College staff as appropriate. The Headmaster shall remain accountable to the Board for the management of the Scheme.
- 3.6. The Board's Secretary shall maintain a record of the Board's decisions and actions in relation to the Scheme, and those of any Board sub-committee, including, but without limitation, all correspondence with Guardians, applications for benefits under the Scheme, medical and all other evidence required to support a claim under the Scheme and the Board's decisions concerning applications to commence Guardianship.

4. Approved Documents

- 4.1. The Board has approved:
- (a) This Policy;
 - (b) The Application Form attached as Appendix 1
- 4.2. The Board may approve amendments to these documents from time to time

Commencement, Transition, Continuation, Previous Policies

5. Commencement

- 5.1. Subject to adoption of this Policy by resolution of the Board, this Policy shall commence on the Commencement Date.

6. Transition to the Scheme

- 6.1. The Board may resolve to transfer any funds held in respect of one or more Previous Policies to the Scheme, subject to ensuring that any benefits accrued or being received by Students under one or more Previous Policies are preserved.

7. Continuation of the Scheme

- 7.1. The Scheme will continue in effect:
- (a) until revoked by resolution of the Board.

8. Revocation of Previous Policies

- 8.1. Subject to clause 6.1, the Previous Policies are revoked on the Commencement Date, to the extent that such Previous Policies had not already been revoked before the Commencement Date.



8.2. Reasonable notification of the adoption of any new policy shall be made to the Guardians of Students.

9. Variation of Policy

9.1. The Scheme and this Policy may be amended or varied by resolution of the Board.

9.2. Reasonable notification of any substantial Variation to the benefits or entitlement to be received by Students under this policy shall be made to Guardians of Students.

Operation of the Scheme

10. Application to join the Scheme following death or disability of a Guardian

10.1. Subject to the limits in this Policy, a Student will be eligible to have their Tuition Fees fully subsidised, in the event of the death or Permanent or Long Term Disablement of a named Guardian.

10.2. Subject to the limits in this Policy, a Student will be eligible to have their Boarding Fees (if applicable) subsidised in the event of the death or Permanent or Long Term Disablement of a named Guardian.

10.3. When a named Guardian dies or suffers Permanent Disablement, the Student will receive the benefit of clauses 10.1 and 10.2 until the earlier of either:

- (a) The Student reaching 19 years of age; or
- (b) The Student ceasing to attend the College.

10.4. When the sole named Guardian or the sole surviving Guardian suffers Long Term Disablement, the Student will receive the benefit of clauses 10.1 and 10.2 until the earlier of either:

- (a) The Student reaches 19 years of age; or
- (b) The Student ceases to attend the College; or
- (c) the Board is satisfied on such medical evidence and advice as the Board may reasonably consider necessary that the Guardian is potentially able to return to his or her occupation or engage in any other gainful employment for which he or she may be reasonably suited by education, training or experience; or
- (d) where no or insufficient updated medical evidence is provided to the Board.

11. Benefits limited to the fees charged to Domestic Students

11.1. Where a Student becomes entitled to have their Tuition Fees subsidised from the Scheme, the maximum amount that shall be subsidised by the Scheme in any academic year shall be limited to the Tuition Fees charged for a Domestic Student in that academic year.

12. Identification of Guardian

12.1. The Guardian(s) named in the Application Form shall be the Guardian(s) in respect of whom the named Student is entitled to receive the benefit of the Scheme.

12.2. For the avoidance of doubt, and subject to clause 14:

- (a) If one Guardian is named, then on the death or Disablement of that Guardian the Student may receive the benefits of the Scheme as provided in clause 10 above,
- (b) If two Guardians are named, then on the death or Disablement of either those Guardians, the Student may receive the benefit of the Scheme as provided in clause 10 above.

12.3. A maximum of two persons can be named as the Guardians of any one Student at any time.

13. Assessment of a claim

13.1. A claim for a Student to receive the benefits under the Scheme in the event of the death of a Guardian must be accompanied by a certified copy of the New Zealand death certificate.

13.2. On receipt of a claim by the Board for a Student to receive the benefits under the Scheme based on the Disablement of a Guardian, the Board shall be entitled to require



evidence, including independent medical or other professional assessment on terms stipulated by the Board, to satisfy the Board that the Guardian suffers a Long Term Disablement or a Permanent Disablement. In this clause, “evidence” shall include reports and advice obtained from the Guardian’s personal doctor or general practitioner to support the claim, to which the Guardian, by applying to join the Scheme, consents.

- 13.3. Following the acceptance of a claim by the Board in the case of Long Term Disablement of a Guardian of a Student, the eligibility of the Student to receive benefits under this Policy will be reviewable at 6-monthly intervals.

14. Certificates and declining coverage

- 14.1. If a Guardian’s death occurs in circumstances where a New Zealand death certificate is not issued, then the College may require that a notarised copy of the death certificate be provided.
- 14.2. In the case of Disablement of a Guardian, the College may decline benefits to the named Student unless independent medical or other professional assessment of the guardian is carried out by medical health practitioners qualified and currently registered to practice in New Zealand.
- 14.3. In any circumstances, the Board shall be entitled to decline benefits to a named Student if the College, having made reasonable enquiries, reasonably doubts the authenticity of any certificate required by this Policy, or if the Board is unable to verify information in a certificate or other form provided to the Board.
- 14.4. In the case of the Guardian having reached or exceeded the age of 65 at the time of Death or Disablement, the College may decline benefits to the named Student.

15. Start of coverage

- 15.1. On the death of the Guardian, the Board must be provided with a copy of the death certificate within 60 days of the death occurring. Where a copy of the death certificate is not supplied within that time, the Board may choose to decline to approve coverage under the Scheme.
- 15.2. On the Disablement of a Guardian, the Board must be provided with a copy of a medical certificate within 30 days of the disability occurring. Where a copy of the medical certificate is not supplied within that time, the Board may decline to approve coverage under the Scheme.
- 15.3. If the death or disablement of a Guardian occurs after the close of term and prior to the commencement of the next College term, the Board shall waive the fees from the beginning of that next term.
- 15.4. If the death or disablement of a Guardian occurs during the College term the Board, subject to clause 17.3, may waive the fees apportioned on a day-to-day basis from the date of death or disablement.

16. Students not covered in some circumstances

- 16.1. A Student will not receive the benefit of the Scheme in relation to the death or Disablement of a Guardian:
- (a) if that Guardian dies or become disabled from a condition of which they had reasonable knowledge at either:
- (i) the time when the Guardian completed an Application Form; or
 - (ii) the time of admission of the Student to the College,
whichever is the earlier; or
- (b) If the Guardian makes an incorrect declaration on any form or document that the Guardian is required to complete before admission of the Student, or under the Scheme; or
- (c) the death or Disablement of the Guardian results from an unlawful act in which the Guardian has participated
- (d) the Guardian has reached or exceeded the age of 65 at the time of the death or disablement.



- 16.2. A Student may, at the unfettered discretion of the Board, receive the benefit of the Scheme in relation to the death of a Guardian in circumstances where the death is self-inflicted.
- 16.3. A Student will not receive the benefit of the Scheme if that Student's Tuition Fees or Boarding Fees are in arrears when a Guardian dies or becomes disabled, except at the discretion of the Board.
- 16.4. A Student shall not be entitled to receive the benefit of the Scheme in circumstances where that Student's Guardian has died or suffered disablement and such death or disablement is due to any event whether acts of god, including earthquakes, fires, wars, riots, civil commotions, epidemics or any other event whatsoever, which has the effect of increasing the average death rate, or the average rate of Permanent or Long Term Disablement of Guardians beyond twice the average rate for death or Disablement for the last 5 years as certified by an Actuary. Nothing shall prevent the Board from approving or granting benefits under the Scheme as it considers just and equitable in all the circumstances, provided that for any one event referred to above, all Students seeking to rely on the benefit of this Policy may receive a fee discount proportionate to the funds available (pro rata).

17. Benefits limited and not transferable

- 17.1. Nothing in the Scheme provides for a benefit to a Student, or a Guardian, other than the benefit of the subsidy administered by the College from time-to-time, provided that where claims against exceed 1% of College revenue and could financially impact the College viability as determined by the Board, Students with a valid claim against the Scheme as determined by the Board shall be receive a fee discount proportionate to the funds available pro rata.
- 17.2. Where the amount claimed against the scheme exceeds the 1% of College revenue:
- (a) The College shall not be obliged to add to fully subsidise Students tuition; and
 - (b) The College shall make the benefit of the Scheme available to Students proportionate to the funds available (pro rata);
- and
- (c) Students shall have no further claim against Scots College pursuant to the Scheme once the amount of the scheme exceeds 1% of revenue.
- 17.3. Under no circumstances does the Scheme entitle any Student or Guardian to receive payment of any cash from the College or refund for fees paid in advance.
- 17.4. The benefits accruing to one Student under this policy from time-to-time may not be transferred to another Student.

Approved: 11 September by: the Board

Prepared by: CFO; Endorsed by Finance and Risk Committee