

# TUITION PROTECTION PLAN

## I. WHAT IS THE TUITION PROTECTION PLAN?

The Tuition Protection Plan is a program provided by TMI Episcopal (TMI) for the purpose of protecting the investment a family makes in the education of a child at TMI. Because a significant portion of the School's costs is committed at the beginning of the school year based on student enrollment, the school requires full payment of the year's tuition once a student is enrolled, even if the student is subsequently withdrawn. The Tuition Protection Plan provides parents/guardians with the opportunity to insure the obligation of tuition in the event of absence or separation of the Covered Student from TMI. The Plan will cover a portion of the tuition owed if the Covered Student's separation from TMI occurs by reason of one of the causes covered by the Plan, including Medical Withdrawal, Psychiatric Withdrawal, Geographic Withdrawal, and Academic Dismissal. Disciplinary Dismissals (e.g., expulsion for misconduct by recommendation of the Disciplinary Council) are not covered by this Plan. The Tuition Protection Plan becomes effective on the first day of July prior to the start of the school year.

## II. WHO SHOULD PARTICIPATE IN THE PLAN?

Participation in this Plan is required of all students whose tuition is not paid in full by the first day of the academic year. Participation is recommended (but not required) for parents/guardians who pay in full and wish to minimize their risk of lost tuition expense in the event of a covered separation from the school.

## III. COVERED WITHDRAWALS: PLAN BENEFITS

3.1 The Withdrawal of a student enrolled in the Plan (a "Covered Student") for any of the following reasons will entitle that student's family to a Credit of unused Tuition to the Covered Student's account, Crediting any excess to the parent(s) or legal guardian(s), excluding the non-refundable enrollment deposit and any scholarship grant, financial aid grant, or any other discount:

(a) Medical Withdrawal. Tuition Protection Plan will Credit 85% of the unused tuition to the Covered Student's account, crediting any excess to the parent(s) or legal guardian(s), provided Certified Illness forces the Covered Student to withdraw from TMI or results in a medical absence which lasts for 30 or more consecutive days.

(b) Psychiatric Withdrawal. Tuition Protection Plan will Credit 85% of the unused tuition to the Covered Student's account, crediting any excess to the parent(s) or legal guardian(s), provided a Certified Psychiatric Disorder forces the Covered Student to withdraw from TMI or results in an absence which lasts for 30 or more consecutive days.

(c) Geographic Withdrawal. Tuition Protection Plan will Credit 75% of the unused tuition to the Covered Student's account, crediting any excess to the parent(s) or guardian(s), provided the custodial parent(s) or legal guardian(s) of the Covered Student has a Job Transfer or Emergency Relocation and that the family's new primary residence is more than 50 miles driving distance from TMI.

(d) Academic Dismissal. Tuition Protection Plan will Credit 75% of the unused tuition to the Covered Student's account, crediting any excess to the parent(s) or legal guardian(s), provided the Covered Student has been dismissed from studies at TMI by the action of its Administration due to the poor academic performance of the Covered Student.

3.2 Examples:

(a) Assume, for purposes of each of the examples in this paragraph 3.2, that the first day of class for the Academic Year is September 1; that the Covered Student withdraws on November 2 after 43 school days; that there remain

137 days in the Academic Year (i.e., 180 total days minus 43 days elapsed); and that the Covered Student has paid in full tuition of \$25,690 by the first day of the Academic Year.

(b) If a Medical or Psychiatric Withdrawal occurs on November 2, the Covered Student will receive a Credit of 85% of the unused tuition to the Covered Student's account, crediting any excess to the parent(s) or legal guardian(s), calculated as follows:

Period of separation: November 2 to last day of school (137 unused days)

Annual tuition insured: \$24,690 (\$25,690 minus \$1,000 non-refundable deposit); any grants and discounts are also subtracted here.

Calculation: Full Year Plan – Pay in Full by July 1:  $\$24,690 \times (137 \text{ unused days} / 180 \text{ total days}) \times 85\% = \$15,973$   
unused tuition Credit [this is the amount to be refunded]

Two Payment Plan – The unused tuition Credit would be \$15,973 as calculated above. Assuming the first installment of \$14,814 (60% of the covered tuition of \$24,690) was paid by July 1, the family would receive a \$6,097 refund (\$15,973, less 2<sup>nd</sup> installment \$9,876 due)

Monthly Payment Plan – The unused tuition Credit would be \$15,973 as calculated above. If five monthly installments of \$2,469 were paid between July 1 and November 1, the refund would be \$3,628 (\$15,973 less \$12,345 remaining balance due).

(c) If a Geographic Withdrawal or Academic Dismissal occurs on November 2, the Covered Student will receive a Credit of 75% of the unused tuition to the Covered Student's account, Crediting any excess to the parent(s) or legal guardian(s), calculated as follows:

Period of separation: November 2 to last day of school (137 unused days)

Annual tuition insured: \$24,690 (\$25,690 minus \$1,000 non-refundable deposit); any grants and discounts are also subtracted here.

Calculation: Full Year Plan – Pay in Full by July 5:  $\$24,690 \times (137 \text{ unused days} / 180 \text{ total days}) \times 75\% = \$14,094$   
unused tuition Credit [this is the amount to be refunded]

Two Payment Plan – The unused tuition Credit would be \$14,094 as calculated above. Assuming the first installment of \$14,814 (60% of the covered tuition of \$24,690) was paid by July 1, the family would receive a \$4,218 refund (\$14,094, less 2<sup>nd</sup> installment \$9,876 due)

Monthly Payment Plan – The unused tuition Credit would be \$14,094 as calculated above. If five monthly installments of \$2,469 were paid between July 1 and November 1, the refund would be \$1,749 (\$14,094 less \$12,345 remaining balance due).

3.3 No Withdrawal for reasons other than those enumerated in paragraph 3.1 above including, but not limited to, dismissal for criminal misconduct and/or expulsion by recommendation of the Disciplinary Council (i.e., Disciplinary Dismissal), shall entitle any Covered Student to a Credit of unused tuition to the Covered Student's account.

#### **IV. CLAIM PROCEDURES**

4.1 To be entitled to a Credit of unused tuition to the Covered Student's account under this Plan, a Claim qualifying

with the requirements of this Article IV shall be submitted to the Chief of Finance and Operations not later than sixty (60) days following the occurrence of the event giving rise to the right to a Credit of unused tuition hereunder.

4.2 Any party seeking a Credit of unused tuition with regard to a Covered Student shall submit a written "Claim" to the Chief of Finance and Operations which:

(a) Sets forth in reasonably sufficient detail the facts and circumstances of the event allegedly entitling the Covered Student or his custodial parent(s)/guardian(s) to a Credit of unused tuition upon Withdrawal; and

(b) Includes all medical certifications and other documentation or evidence as required herein or as may be reasonably requested by TMI in order to determine eligibility for benefits hereunder.

Any party seeking a Credit of unused tuition shall cooperate fully with TMI in providing such information as it may reasonably require to properly process and review the Claim.

4.3 Notwithstanding anything to the contrary stated in this Plan, no Covered Student (or any person claiming by, through, or under the Covered Student) shall be entitled to a Credit of unused tuition during such time as there shall be unpaid and outstanding, any tuition due TMI with respect to the Covered Student for periods prior to the date of the Withdrawal.

4.4 The Chief of Finance and Operations will notify the claimant in writing of the determination of eligibility for a Credit of unused tuition under the Claim within ten (10) business days following the receipt of the Claim.

4.5 If the Chief of Finance and Operations denies any Claim, the claimant may appeal such decision to the TMI President, whose decision shall be final and binding.

4.6 As a condition to the right to receive any Credit of unused tuition under this Plan, the Participant shall first pay to TMI all tuition, fees, and other sums due for the full academic year. Participation in this Plan shall not relieve the Participant of any financial obligation to TMI over and above the benefits expressly provided in paragraph 3.1 above.

4.7 All notices given under this Plan shall be in writing and shall be delivered by email or by certified mail (return receipt requested) to the parties as follows: If to TMI, [business@tmi-sa.org](mailto:business@tmi-sa.org) or 20955 West Tejas Trail, San Antonio, TX 78257, Attention Chief of Finance and Operations or if to the Participant, then to the Participant's address as set forth in the Enrollment Agreement.

## **V. DEFINITIONS**

For purposes of interpreting and applying the provisions of this Plan, the following terms shall have the following meanings:

5.1 "Academic Dismissal" means the permanent dismissal of a Covered Student from studies at TMI by the action of its Administration due to the poor academic performance of the Covered Student.

5.2 "Academic Year" means the period of time (in days) commencing with the first day of classes in the school's Fall semester and ending on the last day of academic activities in the Spring semester (typically, the day of Graduation).

5.3 "Board" means the Board of Governors of TMI.

5.4 “Certified Illness” means a condition involving physical injury to, or physical illness (excluding mental, nervous, or psychiatric illness) of the Covered Student which in either case (i) is certified in writing to the Chief of Finance and Operations by the Covered Student’s attending physician or lawfully practicing Christian Science Practitioner as being of such severity and likely duration as to render the Covered Student unable to pursue his or her regular course of studies at TMI, or at any other private school, for the remainder of the Academic Year and, if required by TMI, is similarly certified in writing to the Chief of Finance and Operations in a second opinion by such consulting physician as TMI may require in its sole discretion, and (ii) has resulted in the Covered Student being unable to attend classes for 30 consecutive days or more following the onset of the condition. Attending physician, consulting physician, or Christian Science Practitioner must be other than a member of the Covered Student’s family.

5.5 “Certified Psychiatric Disorder” means a medically recognized mental or nervous disorder involving the Covered Student which (i) is certified in writing to the Chief of Finance and Operations by the Covered Student’s attending physician or lawfully practicing Christian Science Practitioner as being of such severity and likely duration as to render the Covered Student unable to pursue his or her regular course of studies at TMI, or at any other private school, for the remainder of the Academic Year and, if required by TMI, is similarly certified in writing to the Chief of Finance and Operations in a second opinion by such consulting physician as TMI may require in its sole discretion, and (ii) has resulted in the Covered Student being unable to attend classes for 30 consecutive days or more following the onset of the condition. Attending physician, consulting physician, or Christian Science Practitioner must be other than a member of the Covered Student’s family.

5.6 “Covered Student” means the student designated in the enrollment application for coverage in this Plan.

5.7 “Credit” means (i) a cash payment of the tuition Credit benefits provided for under this Plan if and to the extent that the Prepaid Tuition has in fact been paid for the Covered Student in cash or its equivalent, and otherwise (ii) a Credit against future tuition due with respect to the Covered Student (to the extent that the Prepaid Tuition of the Covered Student has not yet been paid).

5.8 “Disciplinary Dismissal” means the permanent dismissal of a Covered Student from studies at TMI by action of its Administration due to the Covered Student’s misbehavior or criminal misconduct. (The dismissal of a Covered Student by reason of the nonpayment of tuition or other sums due TMI shall not be deemed a Disciplinary Dismissal.)

5.9 “Geographic Withdrawal” means the permanent Withdrawal of the Covered Student by reason of Job Transfer or Emergency Relocation.

5.10 “Job Transfer or Emergency Relocation” means the occurrence of (i) the transfer of the place of employment of the custodial parent of the Covered Student to a location more than fifty (50) miles from San Antonio, Texas, coupled with a Residential Relocation of such custodial parent, or (ii) the Residential Relocation of the custodial parent of the Covered Student by reason of the sickness, injury, or death of a family member to whom the custodial parent will render care or assistance.

5.11 “Medical Withdrawal” means the permanent Withdrawal of the Covered Student by reason of the student’s Certified Illness.

5.12 “Participant” means the parent or legal guardian of the Covered Student who makes application for participation in this Plan.

5.13 “Plan” means the TMI Tuition Protection Plan as described herein.

5.14 "Prepaid Tuition" means that portion of the tuition paid or payable with respect to the Covered Student which is allocable to those portions of the Academic Year which fall after the occurrence of the applicable event of Withdrawal on which the claim for Credit of unused tuition is based.

5.15 "Psychiatric Withdrawal" means the permanent Withdrawal of the Covered Student by reason of Certified Psychiatric Disorder.

5.16 "Residential Relocation" means the movement of the principal place of residence of the Covered Student and his custodial parent(s) to a place which is (i) fifty (50) miles or more away from the location of their principal place of residence at the beginning of the Academic Year in question, and (ii) fifty (50) miles or more away from TMI.

5.17 "Unused Tuition" means the tuition that accrues from the date of separation of the Covered Student from TMI through the last day of school.

5.18 "Withdrawal" means the permanent withdrawal of the Covered Student from TMI's course of studies (including the cessation of all personal attendance on campus and all counseling or other support from TMI's staff at home or at any other location). The Withdrawal shall be deemed to have occurred as of the date the Chief of Finance and Operations is notified in writing of the occurrence of the event resulting in a Withdrawal for which a Credit of unused tuition is to be issued under the terms of this Plan, be not before the date on which the Covered Student permanently ceases all academic contact with TMI and its staff.