The College acknowledges that for most Monte families, particularly those with a number of children, school fees represent a major expense. To assist you in planning the cost of your daughter’s Monte education, we would like to offer an Advance School Fees Option ("Prepaid Option").

The Prepaid Option is a simple and flexible payment option for anyone who would like to prepay future school fees. The Prepaid Option provides a number of benefits, enabling you to:

- An entitlement to receive significant discounts on future tuition fees and lessen impact of increases;
- Reduce future financial stress;
- Multiple payment methods;
- Make school fee payments at anytime, once you have confirmed an offer of enrolment and in the year before commencement;
- Allow grandparents and other parties to contribute;

How does the Advance School Fees Option Work?

**Timing**

As a current continuing enrolment or once you are in the year preceding commencement at Monte, you can prepay future year Tuition Fees at discounted rates.

The prepayment of school fees for a years and subsequent year/s fees must be made and received in full by the early payment due date of Term 1 fees (typically early February), in any given year. Only full year Tuition Fees can be prepaid under the Prepaid Option.

**How is the Amount Payable Calculated**

The method for determining the prepaid fees amount payable and discounts applicable is as follows;

- Tuition Fees are forecast for future years based on the College's current Long Term Financial Model;
- Incremental Discounts are then applied to the forecast Tuition Fees dependent on the number of years prepaid
That is,

- 2% Discount on the 1st full year paid in advance (@ forecast fee rate)
- 4% Discount on the 2nd full year paid in advance (@ forecast fee rate)
- 6% Discount on the 3rd full year paid in advance (@ forecast fee rate)
- 8% Discount on the 4th full year paid in advance (@ forecast fee rate)
- 10% Discount on the 5th full year paid in advance (@ forecast fee rate)
- 12% Discount on the 6th full year paid in advance (@ forecast fee rate)

The incremental discount rate is only applicable for multiple years prepaid in one lump sum by the term one early payment due date. The increased rate applies to that years forecast tuition fees only and not the entire prepaid amount. Refer following example.

The College will only accept pre-paid fees for a maximum of six (6) years in advance. Therefore if you have a 2nd daughter starting in the future during the enrolment of a current daughter, the maximum years remains at 6 and maximum incremental discount rate is 12%. Subsequent prepayments can then be made for the 2nd daughter and discount applicable will be dependent on the number of years and payment is made in advance.

If there is concurrent enrolment of two or more siblings, the normal sibling discount will apply to the forecast fees amount prior to discount rate being applied.

Please note that the Prepaid Option relates only to Tuition fees and not other charges including the iLearn program, which are billed on a cost basis.

**Other Charges / Invoicing**

Extra Curricular and other charges (eg Private Music Tuition, Camps & Sports etc) are not covered by your prepayment of school fees and will still be due and payable on invoice as applicable. This means that whilst your tuition fees will be fully paid, you will still receive an instalment invoice each term for these additional Extras and charges. A sample Fee Invoice illustrating how your fee statement may look under the Prepaid Option is available on request.

Each instalment invoice will also continue to include the voluntary Building Fund and P&F Raffle contribution option to assist in maintaining the physical fabric and future of the College.

The Tuition Fees charged, and the discounts / credits allocated from your advance payment, will be applied each term on the four fee instalment invoices issued each year (or 3 instalments in the case of Year 12).

In the event that any amount on your account becomes overdue (eg for Extras, other charges and tuition fees that were not prepaid), the College reserves the right to apply unused pre-paid fees towards the amount overdue. In such event, where this creates a shortfall in respect of tuition fees in future years, the College reserves the right to charge the tuition fee at the rate then applicable for that year rather than the Fee Schedule applicable at the year of the prepayment.
More Information

An example is shown below, and should only be taken as a guide. "What if" calculations, estimating forecast savings under various prepayment scenarios, are available upon request from the College.

Example

Individual calculations and estimated amounts can be provided by contacting the College Business Office.

The following examples demonstrate how the Prepaid Option works:

Single Daughter

Catherine is enrolled at Monte Sant’ Angelo Mercy College, commencing Year 7 in 2017, and is expected to graduate at the end of 2022.

Catherine's parents would like to prepay all of Catherine's school fees. Catherine's parents make a lump sum payment before the early payment due date shown on the Term 1 fee statement equal to the sum calculated of the Year 7 to Year 12 forecast tuition fees less applicable discounts.

The table below demonstrates how the prepayment amount of $122,952 is calculated and allocated against future tuition fees. Catherine's parents will receive a forecast total saving of $9,868 (7.4%) on Catherine's education.

<table>
<thead>
<tr>
<th>Year</th>
<th>Level</th>
<th>Forecast * Tuition Fees</th>
<th>Discount Rate</th>
<th>Prepayment Required</th>
<th>Saving</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>7</td>
<td>18,520</td>
<td>2%</td>
<td>18,150</td>
<td>370</td>
</tr>
<tr>
<td>2018</td>
<td>8</td>
<td>19,440</td>
<td>4%</td>
<td>18,662</td>
<td>778</td>
</tr>
<tr>
<td>2019</td>
<td>9</td>
<td>21,190</td>
<td>6%</td>
<td>19,919</td>
<td>1,271</td>
</tr>
<tr>
<td>2020</td>
<td>10</td>
<td>22,240</td>
<td>8%</td>
<td>20,461</td>
<td>1,779</td>
</tr>
<tr>
<td>2021</td>
<td>11</td>
<td>25,090</td>
<td>10%</td>
<td>22,581</td>
<td>2,509</td>
</tr>
<tr>
<td>2022</td>
<td>12</td>
<td>26,340</td>
<td>12%</td>
<td>23,179</td>
<td>3,161</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$ 122,952</td>
<td></td>
<td></td>
<td>$ 9,868</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7.4%</td>
</tr>
</tbody>
</table>

* The Forecast Tuition Fee assumes that tuition fees will increase by 5.0% p.a. as per the College's current Long Term Financial Plan. The College may change its Long Term Financial Plan at any time at its discretion (see section below).
**Multiple Daughters**

Catherine is enrolled at Monte Sant’ Angelo Mercy College, commencing Year 7 in 2017, and is expected to graduate at the end of 2022. Catherine's elder Sister, Mary, already attends the College and will commence year 9 in 2017, and is expected to graduate in 2020.

Catherine and Mary's parents would like to prepay all of Catherine's school fees and the remaining amount of Mary's. Catherine and Mary's parents make a lump sum payment before the early payment due date of Term 1 fees equal to the sum calculated of the forecast tuition fees less applicable discount rates.

The table below demonstrates how the prepayment amount of $202,640 is calculated and allocated against future tuition fees. The family will receive a forecast total saving of $16,270 (7.4%) on Catherine and Mary's education.

<table>
<thead>
<tr>
<th>Year</th>
<th>Level</th>
<th>**</th>
<th>Forecast Fees</th>
<th>Sibling Discount</th>
<th>Total Fees</th>
<th>Discount Rate</th>
<th>Prepayment Required</th>
<th>Saving (inc Sib Disc)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9</td>
<td>**</td>
<td>19,230</td>
<td>2.5%</td>
<td>37,287</td>
<td>2%</td>
<td>36,541</td>
<td>1,209</td>
</tr>
<tr>
<td>2018</td>
<td>10</td>
<td>**</td>
<td>20,190</td>
<td>2.5%</td>
<td>39,144</td>
<td>4%</td>
<td>37,578</td>
<td>2,052</td>
</tr>
<tr>
<td>2019</td>
<td>11</td>
<td>**</td>
<td>22,770</td>
<td>2.5%</td>
<td>43,430</td>
<td>6%</td>
<td>40,824</td>
<td>3,136</td>
</tr>
<tr>
<td>2020</td>
<td>12</td>
<td>**</td>
<td>23,900</td>
<td>2.5%</td>
<td>45,584</td>
<td>8%</td>
<td>41,937</td>
<td>4,203</td>
</tr>
<tr>
<td>2021</td>
<td>-</td>
<td>**</td>
<td>25,090</td>
<td></td>
<td>25,090</td>
<td>10%</td>
<td>22,581</td>
<td>2,509</td>
</tr>
<tr>
<td>2022</td>
<td>-</td>
<td>**</td>
<td>26,340</td>
<td></td>
<td>26,340</td>
<td>12%</td>
<td>23,179</td>
<td>3,161</td>
</tr>
</tbody>
</table>

$ 202,640 $ 16,270 7.4%

** Note - In the event that one or more of your daughter/s leaves and the sibling discount is no longer applicable, you will be required to pay the shortfall calculated against the fees current for your daughter's tuition year.
The College's Commitment?

The College's Long Term Financial model is designed and managed to avoid fluctuations in fees and ensure the long term financial security of the College.

To provide assurance to families that the prepaid amount will cover future fees and no further amount will be required for tuition fees, the College will absorb any upward change to the long term financial model fee increase forecast, other than an increase as a result of a substantial change in Government Funding levels.

Should any revision to the College's long term financial model result in a decrease to the forecast fee rate compared to what was used to calculate a family's prepaid amount this saving will be passed on through an offset against other charges. That is, you are effectively prepaying an entitlement to a discount rate on the tuition fees charged. Should any such saving exceed the other charges at the end of your daughter's enrolment at the College, then this excess amount will be refunded at that time.

If there is a significant change in Government Funding which requires the College to increase fees above expectation and adjust the College's long term financial model, the College reserves the right to increase the forecast fees prepaid. We will give you one term's notice of the extra amount payable.

Upon acceptance of the Prepaid Option by You and following receipt of any monies, the College is not obliged to refund unused prepaid fees whilst enrolment at the College continues. The College may apply discretion in this regard for exceptional circumstances on written request.

What if my daughter’s enrolment does not proceed?

If you decide to cancel your daughter's enrolment, or for some other reason it does not proceed, or your daughter leaves before she completes a year or years for which fees have been prepaid, prepayments made by you under the Prepaid Option will be refunded on application to the College on a pro-rata basis. Only unused amounts you have prepaid will be returned, after deducting any outstanding amounts owed to the College. No interest will be paid on any amount of your refund.

If you wish to withdraw your daughter from the College you will still need to provide one term's notice in writing to the Principal or you will be charged one term's fees in lieu of that notice.

How do I get started on the Prepaid School Fees Option?

Payments for your daughter under the Monte Advance School Fees Option can commence now for continuing enrolments or in the year preceding commencement for confirmed future enrolments.
To enquire about or commence with the Monte Advance School Fees Option please direct telephone and email enquiries to the College’s Director of Finance (Mr Glenn Ollerton) on 9409-6200 or fees@monte.nsw.edu.au.

Upon confirmation of your intention to continue with the Prepaid Option the College will issue a letter outlining the amount payable and confirming the terms and conditions of the payment. This letter will required to be signed and return with your payment.

Payment can be made by Cheque, EFT / Direct Deposit, or BPay from your Bank Account.

Following your prepayment, you will receive a receipt confirming the amount prepaid and full schedule of the calculations and discounts applicable.

Disclaimer

Potential contributors are advised that the College does not provide any taxation or financial advice in respect of the Monte Advance School Fees Option and that nothing in this document should be construed as taxation or financial advice. It is impossible in a document of this type to take into account the personal circumstances of each potential contributor and therefore each potential contributor is advised to seek their own independent taxation and financial advice referable to their own particular circumstances before deciding whether or not to take up the Advance School Fees Option.

It should be noted that each parent or other person considering making a prepayment under the Prepaid Option (Payer) needs to conduct their own investigation and analysis as to the merits or otherwise of the Prepaid Option and assess whether or not it meets the individual objectives, financial situation and needs of that person. The College does not give financial or tax advice and makes no warranties or representations as to what the level of tuition fees might be in future years and hence whether there will be a saving or not to the Payer by entering into the Prepaid Option.

It is particularly important that, in considering whether or not to make a prepayment of tuition fees under the Prepaid Option, Payers consider doing so in light of their personal circumstances (including financial and taxation issues) and conditions and terms set out in this document.

ENDORSED BY: COLLEGE BOARD AND FINANCE, AUDIT AND RISK COMMITTEE
MANAGEMENT RESPONSIBILITY: DIRECTOR FINANCE & RESOURCES
DISTRIBUTION: FAMILIES ON REQUEST ONLY
EFFECTIVE DATE: 1/10/2016
REVIEW PERIOD: SUBJECT TO ANNUAL