

This information sheet is designed to assist education providers to comply with the requirements of Standard 3.2 (c) of the National Code 2007.

Standard 3.2 details the information that must be included in written agreements in relation to refunds of course money in the case of student and provider default.

Standard 3.2 (c) specifically requires that providers include a “**plain English explanation of what happens in the event of a course not being delivered**”. This means providers must explain what happens in the case of provider default.

To assist providers to comply with this standard, DEST has developed a number of explanations which providers may choose to quote directly in their written agreements to cover Standard 3.2(c). As the tuition and financial assurance arrangements for providers differ substantially, these explanations have been prepared based on the type of arrangement a provider has in place.

Throughout these explanations reference is made to ‘*course money*’. To clarify what course money means, we have included an extract from the ESOS Act below for your reference only and suggest it be read in conjunction with the explanations. There is no need to include this definition in your written agreement.

Section 7 of the ESOS Act defines course money as:

Meaning of *course money*

- (1) In this Act:
course money means money a provider receives, directly or indirectly, from:
- (a) an overseas student or intending overseas student; or
 - (b) another person who pays the money on behalf of an overseas student or intending overseas student;
- for a course that the provider is providing, or offering to provide, to the student.
- (2) For the purposes of subsection (1), money received for a course includes:
- (a) tuition fees; and
 - (b) any amount received by the provider that the provider is to pay, on behalf of the student, to a registered health benefits organization (within the meaning of the National Health Act 1953); and
 - (c) any other amount that the student had to pay the provider, directly or indirectly, in order to undertake the course.

Explanations to meet the requirements of Standard 3.2 (c)

For providers covered by a Tuition Assurance Scheme

In the unlikely event that [insert provider name here] is unable to deliver your course in full, you will be offered a refund of all the course money you have paid to date. The refund will be paid to you within 2 weeks of the day on which the course ceased being provided. Alternatively, you may be offered enrolment in an alternative course by [insert provider name here] at no extra cost to you. You have the right to choose whether you would prefer a full refund of course fees, or to accept a place in another course. If you choose placement in another course, we will ask you to sign a document to indicate that you accept the placement.

If [insert provider name here] is unable to provide a refund or place you in an alternative course our Tuition Assurance Scheme (TAS) [insert name of TAS here] will place you in a suitable alternative course at no extra cost to you.

Finally, if [insert name of TAS here] can not place you in a suitable alternative course, the ESOS Assurance Fund Manager will attempt to place you in a suitable alternative course or, if this is not possible, you will be eligible for a refund as calculated by the Fund Manager.

For providers administered by a State Education Authority or in receipt of Commonwealth Recurrent Funding

In the unlikely event that [insert provider name here] is unable to deliver your course in full, you will be offered a refund of all the course money you have paid to date. The refund will be paid to you within 2 weeks of the day on which the course ceased being provided. Alternatively, you may be offered enrolment in an alternative course by [insert provider name here] at no extra cost to you. You have the right to choose whether you would prefer a full refund of course fees, or to accept a place in another course. If you choose placement in another course, we will ask you to sign a document to indicate that you accept the placement.

For providers with Bank Guarantee / Indemnity Agreement / Ministerial exemption

In the unlikely event that [insert provider name here] is unable to deliver your course in full, you will be offered a refund of all the course money you have paid to date. The refund will be paid to you within 2 weeks of the day on which the course ceased being provided. Alternatively, you may be offered enrolment in an alternative course by [insert provider name here] at no extra cost to you. You have the right to choose whether you would prefer a refund of course fees, or to accept a place in another course. If you choose placement in another course, we will ask you to sign a document to indicate that you accept the placement.

Finally, should [insert provider name here] be unable to provide a refund or place you in a suitable alternative course, the ESOS Assurance Fund Manager will attempt to place you in a suitable alternative course or if this is not possible, you will be eligible for a refund as calculated by the Fund Manager.

For providers with Payment in Arrears agreements

Payment in Arrears after part of the course:

In the unlikely event that [insert provider name here] is unable to deliver your course in full, [insert provider name here] will transfer your enrolment to an alternative course, at no extra cost to you, with the [insert the name of the provider specified in the Credit Transfer Agreement].

Payment in Arrears after the full course:

In the unlikely event that [insert provider name here] is unable to deliver your course in full, and because you have not paid any course money to [insert provider name here], you will be able to enrol in another course at your own expense.