

New Vaughn's Dojang Policy for Contracts

Time away from the Dojang

Vaughn's Dojang is a unique type of business in the way it makes a profit. Being in the service industry, we do not handle much merchandise, but instead depend on student enrollment to operate.

In the past, I have endeavored to work with students, and parents of students, to manage tuition payments for those who take trips for months at a time away from the Dojang.

In the past, I have offered, *as a courtesy*, credit for classes missed during extended time away from the studio. I would give credit at the time of contract re-signing for time away from training. I am forced to amend this policy.

At first, it was just a few times a year that I would implement this courtesy, but it has recently reached the point to where this practice has affected the financial stability of the school. The business end of our operation demands that we have enough accounts receivable each month to operate efficiently. We can no longer afford to suspend tuition payments on such a large scale.

In an effort to compensate for this change, I will be making some changes to the contracts used—changes which impact the nature of the contract after the completion of the student's first year. These contracts offer, with the client's approval, an automatic rollover of the contract without a re-sign-up fee.

The benefits for the client will be:

- Previously, there was a \$100 yearly re-sign-up fee. With the automatic rollover, this fee will be waived.
- During the first year, if a student wishes to terminate the contract before the end of that first year, there will be a 3-month fee. However, after the first year, to terminate the contract the student will merely be required to give written notice 1 month in advance.
- By implementing this method, it will eliminate the need to renew every year. Also, it will do away with the credit system used in the past.
- In the future, we will offer *as a courtesy* to put tuition payment on hold for no more than 1 month while students take an extended absence from training.

Our educational system offers strong character development—providing life lessons that can be beneficial to the student for the rest of his or her life, with the side benefit of a strong self-defense system. The professional approach our instructors employ is designed to bring out the best in each student. We have faith that you as students and parents appreciate what we offer with this program and will understand the need for this policy change.

Sincerely,

Master Vaughn

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