

## Court Approval of Settlement Agreement Questions and Answers

On July 27, 2011, Montgomery County Circuit Judge Johnny Hardwick approved the proposed settlement which would modify the amount of tuition and fees to be paid by Alabama's Prepaid Affordable College Tuition Program (PACT) in the future.

### **What payment will PACT make for tuition and fees?**

- Effective immediately, PACT payments will be limited to the rates for tuition and fees as certified by Alabama public colleges and universities for fall 2010. Please view the school grids link located on the home page, which shows the specific amount of tuition and fees to be paid at each Alabama public college and university.
- Payment to private and out-of-state schools is as follows:

Rate per semester hour:	\$228.74
Qualified fee payment per semester:	\$144.46
Rate per quarter hour:	\$152.49
Qualified fee payment per quarter:	\$96.30

- Contract holders will assume responsibility for the payment of any tuition and fees above these rates at all schools.

### **What will I owe after PACT has paid the college or university?**

The college or university will bill you for any charges that exceed PACT payments.

### **Will there be any future increases in the amount PACT pays?**

Possibly. The settlement permits tuition payments to be increased in the future if the financial status of the PACT Trust Fund significantly improves. The PACT Board of Directors will evaluate potential increases on an annual basis.

### **Do I still have the option to cancel my PACT contract?**

Yes. Please complete and send in the cancellation request form, located under *PACT Forms* on the *Current Participants* tab of the PACT website.

### **Is the Court's Order final and binding?**

Because the Order makes the settlement effective beginning with the fall 2011 academic term, it is immediately binding as to all payments made by PACT. The Order will become final once the deadline for any party to seek an appeal has expired, or upon the conclusion of any appeal. Updates regarding finality will be provided on the PACT website.