

MASSACHUSETTS INSTITUTE OF TECHNOLOGY PAYMENT PLAN

The MIT Payment Plan (the "Plan") offers you two options for the payment of tuition and other fees and charges. The first of these is full payment of each bill when due. If this option is not chosen and fulfilled, we will accept installment payments that must be made in accordance with a specific schedule and will include applicable finance charges.

The Plan is described in the following paragraphs. (Frequently the particular words and phrases used are specifically required by either Massachusetts or Federal laws, and differ little from the typical credit language with which you may be familiar.)

FULL PAYMENT. If, within 25 days of the billing date, you pay the total balance in your account, no finance charge will be added to the account for that month. Each monthly bill will show the billing date and the total balance, which will be identified as the New Balance.

PAYMENT IN INSTALLMENTS. If you do not pay the New Balance in full within 25 days of the billing date, you must pay monthly following receipt of your bill the amount required in accordance with the terms in effect at the time of each billing, including any finance charges. The payment terms now in effect require a minimum monthly payment which is the lesser of (a) the outstanding balance shown on the statement or (b) any amounts past due, plus a fraction of the remaining portion of the New Balance (using the fractions for the statement dates given in the table below). These fractions, in effect, spread a balance due at the beginning of each term over four approximately equal payments; the initial balance includes tuition and may include MIT extended medical insurance and room and board. The summer term, if applicable, will have three approximately equal payments.

<u>INSTALLMENT PAYMENT SCHEDULE</u>		
<u>STATEMENT SENT IN</u>	<u>PAYMENT DUE IN</u>	<u>FRACTION OF REMAINING BALANCE</u>
	<u>Fall Term</u>	
July	August	1/4
August	September	1/3
September	October	1/2
October	November	ALL
November	December	ALL
	<u>Spring Term</u>	
December	January	1/4
January	February	1/3
February	March	1/2
March	April	ALL
April	May	ALL
	<u>Summer Term</u>	
May	June	1/3
June	July	1/2
July	August	ALL

Each payment is due within 25 days from the date of the statement. Of course, at any time you may pay the entire balance, or more than the minimum payment. You may also pay sooner than required. However, if you pay less than the entire balance due, you are still obligated to pay at least the next minimum payment when it is due. The minimum payment shown on your monthly statement for the last full month of each term or summer session will be the entire balance of charges previously made to your account, including finance charges, and not previously paid.

If you do not pay your bill in accordance with the terms of this plan, you must pay the reasonable costs we incur in trying to collect the balance owed, including reasonable attorney's fees to the extent permitted by law.

FINANCE CHARGE. The finance charge, if any, will be calculated on the statement date of each billing cycle by multiplying the monthly periodic rate of .67% (an ANNUAL PERCENTAGE RATE of 8%) by the adjusted balance. We derive the adjusted balance by taking the balance you owed at the end of the previous billing cycle and subtracting any payments and credits received during the current billing cycle. New charges, and any credits relating to them, are not included in the adjusted balance for purposes of computing the finance charge. Finance charges will continue to accrue until all amounts are paid in full. (Consult <http://web.mit.edu/bursar/pay.html>). Beginning fall term, 2003-2004, MIT Student Extended Medical Insurance Plan is exempt from finance charge.

DEFAULT. You will be in default under this Plan if you do not make a payment when due, if you file a petition for bankruptcy, or if your student status is withdrawn, and immediate payment of the full balance of your account can then be required. We may delay enforcing our rights under this agreement without losing them.

AMENDMENT. The Institute can alter this Plan, including the finance charge and annual percentage rate, at any time. If this happens, we will mail you written notice as required by law. Unless you notify us that you do not agree to the changes, the amended Plan will apply to amounts owed at the time of the changes, and amounts incurred thereafter. If you do not agree with the change, you must pay the outstanding balance in your account either all at once or under the terms of the existing Plan, and you may not incur additional charges under the Plan.

GOVERNING LAW. The terms of the Plan will be governed by the laws of the Commonwealth of Massachusetts or applicable Federal law or regulations.

NOTICE: ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF THE GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

NOTICE TO BUYER.

- a. Do not sign this agreement if any of the spaces intended for the agreed terms are left blank.
- b. You are entitled to a copy of this agreement at the time you sign it.
- c. You may at any time pay off the full unpaid balance under this agreement.
- d. You may cancel a purchase under this agreement if it has been signed by a party thereto at a place other than the address of the seller which may be his main office or branch thereof; provided you notify the seller in writing at his main office or branch, by ordinary mail posted, by telegram sent or by delivery, not later than midnight of the third business day following a purchase under this agreement.

Your signature signifies your understanding and acceptance of this Plan: you should keep a copy of it and the notice on the back concerning your billing rights for your future reference.

NOTICE: See monthly statement for important information regarding your rights to dispute billing errors.

Student Name (Please Print)

Permanent Address (Street, City, State and Zip Code)

Student Signature

Student Identification Number

Telephone Number

Date

YOUR BILLING RIGHTS: KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill (also provided below). Write to us as soon as possible. We must hear from you no later than 60 days after the date of the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- 1) Your name and student account number.
- 2) The dollar amount of the suspected error.
- 3) Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

Send your correspondence to:

Student Services Center
Massachusetts Institute of Technology
77 Massachusetts Avenue, 11-120
Cambridge, MA 02139

You may fax your letter to the Student Services Center at 617-258-0700.