

ARREARS POLICY

Purpose of the Policy

To inform members of the consequences for late payments.

Late Payment and Fees

1. If a member cannot pay their housing charges on time, they MUST:

- Provide written notice to the office on the last day the office is open prior to the day the housing charges are due. In this notice they must provide a date as to when the housing charges will be paid. The member will be charged a late fee.

If a member has not paid their housing charges on time, or a payment is returned NSF, but has sent a

- Written notice - charge a
 - \$25 late fee
 - \$50 late fee for second occurrence
 - \$75 late fee for a third occurrence
 - \$100 late fee for a fourth occurrence**
- Without written notice - charge a
 - \$50 late fee
 - \$75 late fee for second occurrence
 - \$100 late fee for a third occurrence **

**all subsequent occurrences within a two (2) year period will receive an immediate \$100 late fee. These late fees will be added to the current monthly housing charges owed.

2. Unless the Co-op has accepted a proposed payment schedule for the month's housing charges; the office will automatically start the process of issuing the five (5) day demand for payment letter. If payment is not received within the five (5) days a summons to a Board of Directors' meeting will be issued to vote on termination of membership and could result in an irrevocable thirty (30) day notice of termination.

3. If a member's housing charge (cheque or automatic payment) is returned due to non-sufficient funds (NSF) the member is in arrears until the replacement of the cheque with a certified cheque or money order. A twenty-five (\$25.00) NSF charge will apply.

4. A member's arrears cannot exceed a thirty (30) day period without a payment plan in place.

5. The co-op may, but is not obligated to allow a member to sign an arrears payment agreement. In certain circumstances, the Board of Directors has the authority to enter into a repayment plan with a member up to six (6) months. The Board will consider the reasons for inability to pay (genuine hardship) as well as the member's previous payment history when making a decision to allow a repayment plan.

Should a payment plan be approved, the following will apply:

- the repayment period is no longer than six (6) months.
- the member cannot default on regular housing charges, other payments or the repayment plan under any circumstances
- the member cannot extend the arrears payment agreement
- the member cannot go into arrears again for at least a two (2) year period following the last payment.

The Co-op will not have any more than three (3) payment plans in total open at any given time.

This policy replaces all previous policies.

Approved by general membership at AGM on November 4, 2015