

Arrears Policy

Section I - General

- 1.01 The co-op provides housing to its members at cost. It is the responsibility of the members to pay their fair share of the costs promptly, as charges become due.
- 1.02 The Co-ordinator shall deal with arrears cases by administering the Arrears Policy and where necessary, by referring arrears cases to the Board of Directors.
- 1.03 In order to be effective, the Arrears Policy must be rigidly enforced. There will be no discrimination or bias shown between members in the administration of the Arrears Policy.

Section II - Payments and Charges

- 2.01 Payments of housing charges and instalments of any other amounts owing to the co-op must be delivered to the co-op office by noon on the first business day of the month. To avoid late fines, members may choose to provide the co-op office with post-dated cheques to cover their housing charges for each fiscal year (December - November).
- 2.02 Payments must be made by cheque, money order or bank draft. Members will not be allowed to pay in cash.
- 2.03 Payments shall be considered "late" if not received in the co-op office by **noon** of the first business day of the month. Any amounts owed to the co-op which have not been received when due, will be considered arrears and will be subject to a **\$ 25.00** late fine.
- 2.04 Except as outlined in 2.06, if a member's cheque is returned by the bank or credit union, the member will be subject to a service charge of **\$ 15.00**. In addition, the member will be considered to be in arrears and therefore will also be subject to the late payment charges.
- 2.05 If a member's cheque is returned NSF because of a bank or credit union error, and the member is able to verify to the co-op that he or she was not at fault, the late payment fine and the service charge will be waived, provided that the member replaces the cheque within 48 hours of being notified.
- 2.06 If a member's cheques have been returned NSF more than twice in a year and the member is considered to be at fault, the Board and/or the Co-ordinator may require the member to make all future payments by certified cheque, money order or bank draft.
- 2.07 The Co-ordinator and/or the Board of Directors are authorized to enter into a Repayment Agreement with members who have outstanding arrears issues. Members who breach such agreements will be referred to the Board of Directors by the Co-ordinator.
- 2.08 When a member(s) meet with either the Co-ordinator or the Board and an agreement is made for the repayment of an outstanding amount, the member will be strongly encouraged to pay the arrears within a

six-month period. If this seems to be financially impossible for the member, an Agreement for a longer period of time can be considered. In all cases, the final terms of the Agreement must be satisfactory to the Co-ordinator and/or the Board. Under no circumstances can a Repayment Agreement be for less than \$50.00/month.

2.09 The Board may terminate a member's occupancy and membership rights in the co-op in accordance with the Occupancy By-law if a member is in default of a Repayment Agreement or has been repeatedly late in payment of monthly housing charges, or other charges payable, under the by-laws, policies and procedures of the co-op.

2.10 "Bad debts" are the arrears owed by members who move out of the co-op while still owing money. Decisions regarding the collection of bad debts are the responsibility of the Board of Directors.

Approved by the Arrears Committee: April 22, 1998

Approved by the Board of Directors: May 5, 1998

Approved by the General Members: May 20, 1998

Reviewed by the Arrears Committee: April 25, 2001 - no changes made

Revised by Committee: February 8, 2002

Revision approved by Board: April 10, 2002

Revision approved by Members: April 22, 2002

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Revision approved by the Board: March 30, 2005

Revision approved by the Members: April 25, 2005

Revised by the Board: January 9, 2006

Revision approved by the Members: January 30, 2006

Revised by the Board: November 6, 2006

Revision approved by the Members: November 29, 2006

Revised by the Board: November 16, 2010

Revision Approved by the Members: January 31, 2011

Arrears Procedures

Section I - Arrears Policy Provisions

The co-op's Arrears Policy sets out the basic objectives and rules that members have established to govern how the co-op will deal with charges owed by members to the co-op.

Section II - Objectives of the Arrears Procedures

The Arrears Procedures provide guidelines concerning how the co-op will administer the collection of arrears.

Co-op procedures are standing resolutions of the Board and can only be amended by the Board.

Section III - Arrears Procedures

Section 1 Role of the Board:

- 1.01 The Board will review all arrears situation on a monthly basis. If the Board decides to meet with members to discuss their particular arrears issue, all members of the household will be required to attend the meeting. Notice of the proposed meeting will be in writing.
- 1.02 If, at a meeting with members who are in arrears, the Board feels satisfied that the members are willing and able to pay the arrears, a written Repayment Agreement will be drafted and signed. The Repayment Agreement will be signed by all members of the household and two members of the Board. One copy of the Repayment Agreement will be given to the member(s), and the original copy will be kept in the member's file in the co-op office.

Section II Role of the Co-op Co-ordinator:

- 2.01 Reminders will be sent out to each household that is in arrears by the co-op's co-ordinator on a monthly basis. The reminder will include the amount of household arrears including any late payment or service charges and any other balances owing to the co-op.
- 2.02 The co-ordinator will provide the Board with an arrears report each month. The Board will decide what to do about each member household that is in arrears.
- 2.03 At the request of the Board, the co-ordinator will send a Notice of Proposed Termination to members who are in arrears advising them that they must appear at a meeting of the Board of Directors to discuss the problem.
- 2.04 Where a household has made arrangements with the Board or the co-ordinator to pay arrears and where the conditions of payment are not being met, the co-ordinator will refer the matter to the next meeting of the Board of Directors.

Approved by the Arrears Committee: April 22, 1998

Approved by the Board of Directors: May 5, 1998

Arrears Committee dissolved by the Board in 2006

Changes made by the Board: November 6, 2006

Reviewed by the Board November 16, 2010 no changes made