

Marine Heights Co-operative Homes Incorporated

By-law No. 21

Arrears By-law #21

A by-law to repeal the Arrears By-law  
(By-law No. 16.) of  
Marine Heights Co-operative Homes Incorporated  
(the "Co-op")

WHEREAS the Co-operative enacted an Arrears By-law (By-law No. 16)  
on September 30, 1997.

AND WHEREAS it is desired to repeal the Arrears By-law.

THEREFORE, BE IT RESOLVED THAT By-law No. 16 be repealed and  
the following is hereby enacted as a By-law of the Co-operative.

A By-law which contains the rules the members must follow  
when paying money to the Co-op.

## Marine Heights Co-operative Homes Incorporated

### ARREARS BY-LAW #21

This By-law contains the rules that members must follow when paying money to the Co-op.

#### ARTICLE 1: GENERAL

- 1.1 The Co-op provides housing for its members at cost. Members are responsible for paying their fair share of the costs promptly, as charges become due.
- 1.2 The Administrative Manager will handle arrears cases by following this Arrears By-Law and, when necessary, by sending arrears cases to the Board.

#### ARTICLE 2: PAYMENTS AND CHARGES

- 2.1 Payment must be made by cheque or money order. The Co-op is not set up to handle cash.
- 2.2 Cheques for payment of housing charges and any other amount owing to the Co-op should be delivered to the Co-op office by the 25th of the month before the month to which the charges apply. Cheques should be postdated to the first day of the month following.

**For example:** Housing charges for May would be due by April 25. The cheque should be postdated for May 1.

Members are encouraged to leave up to twelve postdated cheques at a time with the Office.

- 2.3 Payment in full of housing charges will be considered late if not received by 12:00 noon on the first of the month, and a \$20.00 late fine will be charged. Postdated after the first or split payment will also be considered late. Members who will pay late **must** contact the Co-op Administrative Manager in advance so that arrangements can be made to defer payment.
- 2.4 Any other money owed to the Co-op that has not been received when due will be considered arrears. All arrears must be paid in full before or on the first of the following month, if not a \$10.00 arrears fine will apply each month until arrears are paid in full.
- 2.5 Except as provided in article 2.07, if a member's cheque to the Co-op is returned "NSF" or "Funds Not Cleared" by the bank or credit union, the member will be required to pay a bank service charge equal to the amount charged to the Co-op plus a \$15.00 Co-op fine.

- 2.6 If a member's cheque is returned "NSF" or "Funds Not Cleared" because of a bank or credit union error and the member can verify to the Co-op's satisfaction that he or she was not at fault, the Co-op fine in article 2.05 will be waived. Acceptable verification would be a letter from the bank or credit union.
- 2.7 The Board **may** terminate a member's right to occupy a unit in the Co-op according to the Occupancy By-law if the member is in default of or has been repeatedly late in payment of monthly charges or other charges payable under the articles or By-laws of the Co-op.
- 2.8 The Board can decide on procedures for sending reminders to members and collecting unpaid accounts. The procedures can be carried out by the Administrative Manager under the direction of the Board.

PASSED by the Board of Directors and sealed with the corporate seal of the Co-op on April 3, 2003

CONFIRMED by at least two-thirds of the votes cast at a General Meeting of the Members on May 27, 2003

  
President

  
Secretary

## **ARREARS PROCEDURES**

### **1. ARREARS BY-LAW PROVISIONS:**

The Co-op's Arrears By-law sets out the basic objectives and rules that members have established to govern how the Co-op will deal with charges owing by members to the Co-op. The By-law takes priority over all resolutions of the Board and simple majority resolutions of the members regarding arrears.

### **2. 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.

### **3. ARREARS NOTICE:**

Reminder notices will be sent by the Administrative Manager to each household that is in arrears on the second day of each month (or the first business day thereafter) advising the household of the amount of the arrears, including any late payment.

### **4. LATE PAYMENTS:**

- a) For the first late payment in the fiscal year, the household shall receive a notice in writing and a \$20.00 late fine.
- b) For the second or more late payments in a fiscal year, the household shall be asked to come before the Board and receive a \$20.00 late fine.
- c) If a household is late two months in a row and has outstanding housing charges, the household shall receive a "Notice to Appear" before the Board of Directors.
- d) The member(s) need not attend the Board of Directors meeting if they make their payment in full before the Board meeting.

### **5. REPAYMENT AGREEMENTS:**

- a) The Administrative Manager is authorized to arrange and sign repayment agreements with members for a period not to exceed 6 months. The Administrative Manager will report to the Board on any agreements which have been signed.



- b) Where a household has made arrangements with the Administrative Manager to pay arrears and where the conditions of payment are not being met, the Administrative Manager will refer the matter to the next meeting of the Board.
- c) Under the direction of the Board, the Administrative Manager will issue members with "Notices to Appear" before the Board to discuss arrears problems.

#### **6. MONTHLY REPORTS:**

The Administrative Manager shall make a monthly report to the Board and Finance Committee. This report shall include:

- a) The number of households who have made late payments in the current month and the number of late fines.
- b) Number of households in arrears and recommendations on action to be taken against households in arrears.

#### **7. WHEN LATE PAYMENTS CAN BE WAIVED**

The Administrative Manager may waive late payment fines in situations where the late payment has proven to be beyond the member's control and the member has made a written request for the fine to be waived. Such situations shall include, but not be limited to:

- a) hospitalization
- b) sudden loss or substantial reduction in income
- c) financial institution error
- d) move-in after the first business day of the month
- e) inability to complete a housing charge assistance application form before the first business day of the month
- f) death of a family member
- g) unexpected change in household composition

The Administrative Manager will include the number of fines that have been waived and the reasons for the requests in the monthly report.

#### **8. DEFINITION OF LATE PAYMENT:**

Late payment means any payment not received before 12:00 noon on the first business day of the month.