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Glen Oaks Co-operative Homes

By-Law No. 15

Arrears Control

Passed September 13,
2012
by the Board of Directors

Confirmed Oct 26/12
by the Members

Arrears Control By-law

1. Purpose of this By-law

This By-law sets out the Co-op's rules about:

- How and when members pay their housing charges
- How the Co-op ensures housing charges are paid in full and on time
- Directors in arrears

2. Priority of this By-law

This By-law takes the place of or amends all previous by-laws or decisions that deal with payment of housing charges, arrears collection and directors in arrears. The Co-op is not required to follow the procedures set out in this By-law before taking proceedings under the *Occupancy By-law* such as issuing a notice to consider eviction, going to court for eviction proceedings or suing for arrears.

3. Payment of Housing Charges

3.1 Housing charges include all amounts that the co-op charges to members in accordance with the Co-operative Corporations Act and the Co-op's *Occupancy By-law*.

3.2 Housing charges are due as set out in the Co-op's *Occupancy By-law*.

3.3 Payment of housing charges may be made by:

- Cheque
- Certified cheque or money order
- Electronic fund transfer

Members who pay by cheque are encouraged to submit post-dated cheques.
Cash payments will not be accepted.

3.4 Housing charges may be:

- Deposited in the Co-op's mail box
- Hand delivered to the Co-op's management
- Made by electronic fund transfer to the Co-op's credit union or bank account

4. Late Payments

4.1 Payments not received in full and on time as set out in the Co-op's *Occupancy By-law* will be considered late.

4.2 By the close of business on the first business day of the month, *notice of Late Payment* will be issued to members who have not paid their housing charges in full and on time as set out in the Co-op's *Occupancy By-law*.

4.3 A \$50 late payment charge will be applied to the member account if housing charges are not paid in full and on time as set out in the Co-op's *Occupancy By-law*.

4.4 A notice to consider eviction will be sent if housing charges are not paid in full before the tenth day of each month.

4.5 Late payment of housing charges twice within a year will be considered chronic late payment. A notice to consider eviction will be issued to members who pay their housing charges chronically late.

4.6 Failure to pay late payment charges will be considered non-payment of housing charges.

5. Returned Cheques

- 5.1 If a cheque for payment of housing charges is returned by the bank or credit union for any reason including NSF (not sufficient funds), funds held, stop payment or account closed, a \$50 charge will be applied to the member account.
- 5.2 Upon notification by the Co-op, returned cheques must be replaced within two days.
- 5.3 A notice to consider eviction will be issued if a returned cheque is not replaced within two days of notification by the co-op.
- 5.4 If two cheques are returned within a twelve month period, the member will be required to pay housing charges by certified cheque or money order or Electronic Funds Transfer for a period of one year. Payment in any other form will not be accepted.
- 5.5 Failure to pay returned cheque charges will be considered non-payment of housing charges.

6. Directors in arrears

- 6.1 All directors must pay their housing charges or other money owed to the Co-op in full and on time. If a director falls into arrears, she/he will automatically be suspended from the Board. If the director has not paid all monies owing to the Co-op within 30 days of the date the director fell into arrears, she/he will automatically cease to be a director. The Co-op will promptly give the director written notice of this.

7. Reporting

7.1 Each month, the manager will prepare an arrears report for review by the board of directors.

7.2 The manager's regular report to the Board will include:

- The names of members who owe money to the Co-op, the amount they owe, and their payment history
- The number and amount of late payments made during the reporting period
- The number of cheques returned to the Co-op marked NSF during the reporting period
- The names of members required to make future payments by certified cheque or money order
- The number of eviction notices issued during the reporting period

8. Members who move out in arrears

8.1 The Co-op will take all reasonable steps to collect arrears from members who have moved out of the Co-op. These steps may include:

- Sending a registered letter to the former member at her/his last known address with a summary of the amount owing
- Placing the account with a collection agency
- Informing the local municipality of the arrears
- Commencing legal action

8.2 If a member moves out of the Co-op owing money, until this amount is fully paid, she/he:

- Is prohibited from applying for membership in the Co-op
- Is prohibited from occupying or residing in a Co-op unit
- Is prohibited from occupying or residing in a Co-op unit as a long-term guest

CERTIFIED to be a true copy of By-law No. 15 of Glen Oaks Co-operative Homes Inc. passed by the Board of Directors at a meeting held September 13, 2012, and confirmed by a two thirds vote at a meeting of members held Oct. 26 2012. By-law in effect Nov. 1, 2012.

Secretary

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