

# **Cahiague Co-operative Homes Inc.**

## **By-Law No. 8**

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### **A r r e a r s   C o n t r o l**

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Passed October 11, 2012  
by the Board of Directors

Confirmed, 2012 by the  
Members

# Arrears Control By-law

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## 1.0 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

## 2.0 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.

## 3.0 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
  - Debit
  - Electronic fund transfer

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

- 3.4 Payments of housing charges may be:
- Deposited in the Co-op's mail box
  - Hand delivered to the Co-op's management
  - Made by debit at the Co-op's office
  - Made by electronic fund transfer to the Co-op's credit union or bank account

## 4.0 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 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 by the third business 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.

## 5.0 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.

## **6.0 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

## **7.0 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

## **8.0 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