

## 3.16 Bad Debt Policy

### **3.16.01 - DELINQUENT MEMBER ACCOUNTS**

1. **a.** If a payment bringing a Member down to a balance of no larger than \$100 has not been received by the 6<sup>th</sup> of the month, a Notice to Quit to Recover Possession of Property will be sent to that person.
  1. **i.** Upon receiving a fifth Notice to Quit, the member will be automatically put on Desk Referral.
1. **b.** The only thing that can stop the eviction process is a payment in full up until 24 hours before the court date. This payment cannot be in the form of a check.
1. **c.** After a court judgment has been made, the Member may have up to 30 days—with the explicit approval of Executive Committee—to pay the amount of the judgment or the writ of restitution will be filed and the Member will be formally evicted.
  1. **i.** In the event the Executive Committee does not explicitly approve an extension within 7 days of the court judgement, the Member will be formally evicted.
1. **d.** A member will be evicted for cause if that member has been served with three Summons and Complaints within a twelve-month period.
1. **e.** The SHC reserves the right to pass on to the Member any fees incurred during the eviction process.

### **3.16.02 - BAD DEBT PURCHASING POLICY**

1. **a.** The SHC will pay a House 100% of all unpaid Member account balances, with the exception of SHC fines, for any former Member.

### **3.16.03 - OUTSTANDING BALANCE BETWEEN CONTRACTS**

1. **a.** If a member has an outstanding balance 3 weeks before the beginning of a renewed contract, the SHC has the right to cancel their contract for all future contract periods.
  1. **i.** A Member whose future contracts are cancelled for an outstanding balance will be put on Desk Referral.
1. **b.** If 100% of the House signs a payment plan to let said member stay, the contract will not be cancelled.
  1. **i.** The House will then be responsible for all of the potential bad debt accumulated by the member regardless of the Bad Debt Policy.
  2. **ii.** The payment plan must be explained to the House by the Corporate Treasurer at a House meeting and signed by 100% of the House to show their approval.
  3. **iii.** No one who has been sent a Summons and Complaint during their tenure at the SHC is eligible for this consideration and it is solely up to the SHC whether or not to

cancel their contract.

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