



CHAFFERS MARINA LTD

DEBT RECOVERY POLICY

1. PURPOSE

CML has the legal ability to enforce the collection of outstanding debts and to apply a penalty in doing so when dealing with both a Berth Licensee and a Berth Tenant.

That ability is contained in The Chaffers Marina Berth Licence, The Chaffers Marina Berth Rental Agreement and in the Chaffers Marina Bylaws and are outlined in this Policy Document.

2. DEFINITIONS

Berth Holder means, for the purposes of these by-laws, a person who is:

- the legitimate licensee of a berth in the Marina under a Berth Licence; or
- the legitimate sub-licensee of a berth in the Marina under a current, valid sub-licence granted to that person by the Marina Company on such licensee's behalf, in accordance with the provisions of such Berth Licence.

Licence Fee means the licence fee payable by the Licensee to the Licensor and described in the Chaffers Marina Berth Licence (9.0 Licence Fee) and the Chaffers Marina Berth Rental Agreement (as varied from time to time pursuant to clause 3.2).

Asset Maintenance Fee means the fee payable by the Licensee to the Licensor as set by the CML Board.

3. POLICY

Shareholders: As per the terms of the Chaffers Marina Berth Licence Agreement (previous and current), licence fees shall be paid in advance without deduction or set off by equal 6 monthly instalments. However, CML has also provided the option of payment on monthly invoice to be paid within 7 days of invoice.

Berth Rentals: Accounts are to be paid monthly within 7 days upon receipt of an invoice.

The following steps are to be followed regarding the collection of outstanding debts:

1. A reminder for non-payment of fees will be sent after 30 days of invoice.
2. Ensure that invoices and statements have been regularly communicated to the debtor by examination of the Marina Management system and the accounting package.
3. After 30 days of no payment received, contact the debtor to discuss the debt and make arrangements for the debtor to repay within 14 days. Record conversation in MMS. Send email confirming conversation.
4. If not paid within 60 days a final notice for payment will be sent.
5. If the debtor is a live aboard, warn the debtor that the live aboard privileges will be withdrawn if there is a failure to pay within an agreed timeframe. Record conversation in MMS. Send email confirming conversation.
6. That if payment or an agreement is not reached, then Marina privileges will be withdrawn, i.e. card access will be turned off and a 10% interest penalty will be added to the outstanding amount along with a \$50 + GST administration fee
7. If no payment in the agreed prescribed time, contact the debtor and demand full payment and advise that access card will be deactivated. Record in MMS. Send follow up email.

8. If Live Aboard advise that LAB privileges are immediately withdrawn. Record in MMS and send email of confirmation.
9. If no resolution on payment within 90 days of the initial dated correspondence, then a debt collection agency will be instructed.
10. If no success, then legal action is to commence.

Date of Review: 30/06/2020

Date of Next Review: 30/06/2022

Reviewed by:



(General Manager)



(CML Board Chairman)
