



# Annex F

## Debt Management Policy

1. A member whose subscription is in arrears on June 30th of any year shall be suspended from any rights of membership unless the National Executive Committee otherwise decides, but should any member's subscription be in arrears by July 31st of any year, such member, without prejudice to IOP(SA) rights to recover arrear subscriptions, shall automatically cease to be a member unless the National Executive Committee determines otherwise.
2. Members who choose to pay their annual membership fee by means of a monthly debit order will be liable for any cost or charges incurred as result of this method of payment.
3. Members who give notice to terminate their membership subscription fees, will still be liable for the membership subscription fees for that year.
4. Regional committees are responsible for debt collection. Regional paybacks will be reduced by 5%, for each month regional membership subscription fees are outstanding. Payback will be waived if the national office recovers regional debt.
5. Bad debt may only be written off by the National Executive Committee once presented by the business and finance committee for approval. This can only be done on an annual basis, subject to previous year financial report.
6. Members who are suspended due to non-payment or expulsion, will still be liable for that year's membership subscription fee.

## Debt Collection Procedure

### 1. Non Payment

1. Membership fees that have been outstanding for 30 days, the first outstanding payment letter to be issued.
2. List of regional members to be sent to regional committee chairpersons for debt collection.
3. List of debtor's age analysis to be reported to the Executive director on a monthly basis indicating member and date of first outstanding payment letter issued. Executive director to confirm final letter issued to members.
4. Final letter indicating member will be handed over to a debt collecting agency after 60 days.
5. National administrator to follow up with debt collection agency on monthly basis.
6. Debt to be recovered within a three-month period, failing which administration of debt will return to IOPSA.
7. Letter to be issued confirming suspension of a member as per constitution 120 days.

## Debt Management Procedure

### 2. Debit order

1. Confirm debit order run successful
2. Confirm debit order defaulting companies within 5 working days of successful payment run.
3. Run defaulting companies again by the 15<sup>th</sup> of each month. Include additional bank charges per member for defaulting.
4. If Members still default, follow non-payment procedure.

### 3. Membership payment gateway (credit card)

5. Payment will be deducted from members account as per their specified method of payment
6. Membership system will notify the administrator of a member non-payment.



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7. If fees are not paid, follow non-payment procedure.

**4. Manual payment process**

8. Monthly statement to be sent out for members outstanding fees

9. Offer a debit order or payment gateway option.

10. If fees are not paid as per policy, follow non-payment procedure.