

## SCA (VIC) Hardship Policy

### Purpose

To establish a clear, compassionate, and fair approach for managing situations where a member or sponsor, having pledged financial support to SCA (Vic), experiences genuine short-term hardship affecting payment of membership/sponsorship fees. The policy will guide the Secretariat in applying consistent, reasonable discretion while ensuring fairness to all members and sponsors.

### Key Guidelines

1. **Empathy and Fairness** – Recognise that business conditions fluctuate and some members/sponsors may face temporary hardship. The policy should support members/sponsors in good faith while maintaining SCA (Vic)'s financial stability.
2. **Consistency and Transparency** – Apply the same principles to all members/sponsors to ensure fair treatment and protect SCA (Vic)'s reputation.
3. **Proportionality** – Assistance is for short-term hardship only; ongoing or indefinite extensions are not appropriate.
4. **Responsibility** – Members/sponsors seeking relief must communicate early, outline the circumstances, and agree to a realistic payment plan.
5. **Integrity of Sponsorship Benefits** – Sponsors who are unfinancial for extended periods should not continue to receive public recognition or event benefits/entitlements until they are financial again.
6. **Governance** – The Secretariat may apply this policy under normal circumstances, but the **Board retains ultimate discretion** to determine any variation or exemption.

### Definition of Hardship

For the purposes of this policy, hardship refers to genuine, short-term financial distress that temporarily affects a member/sponsor's ability to meet agreed membership/sponsorship payments.

Examples may include:

- Unforeseen cash flow constraints
- Temporary business disruption or local economic downturn

Hardship does not include:

- Ongoing insolvency or long-term financial incapacity
- Voluntary non-payment
- Chronic failure to meet financial obligations

## Approach - Formal Hardship Extension

- **Eligibility:** Member/sponsor demonstrates temporary hardship and a clear intent to make payment.
- **Extension Period:** Up to **90 days** per invoice (once per financial year).
- **Payment Plan:** Up to **three equal instalments** – no small weekly payments.
- **Sponsor Benefits Pause:** If the account is **over 60 days overdue**, the sponsor's logo, recognition, or event participation may be paused until the account is brought up to date.
- **Sponsor/Member Failure to Comply:** Non-compliance with the agreed payment plan results in termination of membership/sponsorship and removal of all benefits. SCA (Vic) reserves the right to legally pursue any unpaid fees within sponsorship contract.
- **Documentation:** Each arrangement to be confirmed in writing as a short addendum signed by both parties.

## Confidentiality

All information provided by members/sponsors in relation to hardship will be treated as strictly confidential and used solely for the purpose of assessing, processing, and administering hardship requests.

## Non-Payment of Membership/Sponsorship

Any member/sponsor who fails to fulfil their membership/sponsorship payment commitments, without an approved hardship arrangement or alternative agreement, will be ineligible to participate in future sponsorships until all outstanding amounts are paid in full.

## Repeat or Chronic Hardship Cases

This policy is designed to support members/sponsors experiencing genuine, temporary hardship. It is not intended for ongoing or repeated late-payment behaviour.

Where a member/sponsor repeatedly fails to meet payment obligations or disregards agreed repayment plans over consecutive years, the Association may determine that continued membership/sponsorship is not appropriate. In such cases:

- The member/sponsor will not be offered membership/sponsorship renewal in the following financial year.
- The decision will be based on a demonstrated pattern of missed deadlines, unresponsiveness, or failure to comply with agreed hardship arrangements.
- The Secretariat will document the history of interactions and provide a recommendation to the Board, which retains final discretion on future membership/sponsorship eligibility.

This ensures compassion for members/sponsors acting in good faith while maintaining fairness and accountability to all members/sponsors.

## Discretion

The Secretariat has the authority to administer extensions in line with these guidelines and reserving final discretion to the Board for exceptional cases.