

## Hardship Loan Policy

Last revised: September 2024

### 1.0 Purpose

1.1 The Executive of the VCCFA (FA) may provide emergency loans to members who are experiencing severe financial difficulties and:

- a) who have exhausted benefits available through the Collective Agreement
- b) whose short-term disability payments are insufficient to meet essential or extraordinary needs
- c) who require only short term and limited assistance
- d) who have exhausted all other avenues of funding

1.2 If an applicant meets all these requirements, an application should not be unreasonably denied.

### 2.0 Guidelines

2.1 The person requesting the Hardship Loan must be a member of the VCCFA at the time of the request.

2.2 The VCCFA is the lender of last resort.

2.3 There is a reasonable expectation of the borrower repaying the loan.

2.3.1 The recipient and Treasurer must agree on a written and signed repayment schedule prior to disbursement of funds. When payment is in post-dated cheques, the applicant will supply these when receiving the loan. When a post-dated cheque becomes cashable, it will be cashed on the 15th of that month.

2.3.2 The member's circumstances (e.g. medical leave, likelihood of layoff notice) will be considered in establishing any repayment schedule.

2.4 The amount loaned under the policy must be, in the Executive's judgement, within the financial capability of the VCCFA. The VCCFA shall not borrow funds to meet requests made under this policy.

2.5 A member will not be eligible for more than one loan at a time; however, in extraordinary circumstances, this restriction may be waived by a decision of the Executive.

2.6 The loan will be interest-free.

### 3.0 Application and Review

3.1 A member may request a loan verbally or in writing to the Executive. A steward may bring the request to the Executive in the place of the member.

3.2 It is the responsibility of the applicant to provide the Executive with any documents requested by the Executive that would support the application.

3.3 Requests will go to the Executive for discussion and decision.

3.3.1 In the event of absences, the Treasurer and two other Executive members can approve a hardship loan.

3.3.2 If the loan is not approved, the Executive will provide a written rationale detailing why. The member may appeal to the whole body of the membership at a General Meeting.

3.4 If the request exceeds \$2000.00, the request must go to a General Meeting of all members for approval as per the Bylaw 5.6.3.2.

3.5 The Treasurer will be responsible for negotiating the loan repayment plan and for explaining the policy to those who apply.