

1. Owner details

Owner's name

Lot number

Strata plan number

Strata scheme address

2. Statement of financial hardship

Due to financial hardship, I am unable to pay the full amount of my overdue contributions. I request approval of the payment plan set out below.

3. Proposed payment plan details

Current debt amount \$

Proposed instalment amount \$

Proposed instalment frequency

Duration of payment plan (maximum 12 months)

4. Request for waiver of interest

I request that interest on my overdue contributions be waived.

Date:

(dd/mm/yyyy)

Committee

To sign first as acceptance of plan

Name

Signature

Owner

To sign after committee acceptance

Name

Signature

Levy Payment Plan Information (NSW Fair Trading Guidance)

Legislative Basis

This levy payment plan application is made under **section 83 of the Strata Schemes Management Act 2015 (NSW)**.

Under the Act, a lot owner may request a payment plan for unpaid levy contributions. The Owners Corporation is required to **consider** such a request but is **not required to approve** it.

What a Levy Payment Plan Is

A levy payment plan is a written agreement that allows a lot owner to pay unpaid levy contributions by instalments over an agreed period.

A payment plan:

- does **not** remove or reduce the levy debt;
 - does **not** prevent interest from accruing, unless the Owners Corporation resolves otherwise; and
 - applies only to the arrears specified in the agreement.
-

Consideration of Applications

In accordance with NSW Fair Trading guidance, the Owners Corporation or its delegated authority will consider each application on its merits, having regard to matters including:

- the amount of unpaid levies;
- the length of time the levies have been outstanding;
- the lot owner's previous payment history;
- the proposed repayment amounts and duration; and
- the financial impact on the Owners Corporation.

Approval may be granted subject to conditions.

No Automatic Right to Approval

Submitting this application:

- does **not** create an entitlement to a payment plan;
- does **not** suspend levy recovery action unless and until a payment plan is approved in writing; and
- does **not** prevent the Owners Corporation from continuing recovery action if no agreement is reached.

Obligations Under an Approved Payment Plan

Where a payment plan is approved, the lot owner must:

- make all payments strictly in accordance with the agreed terms;
- continue to pay **future levies as they fall due**, in addition to payment plan instalments; and
- comply with any conditions imposed by the Owners Corporation.

Failure to comply with a payment plan may result in:

- immediate termination of the payment plan; and
- recommencement of levy recovery action, including recovery of costs and interest as permitted under the Act.

Effect on Levy Recovery Action

NSW Fair Trading guidance provides that where a payment plan is in place and being complied with, an Owners Corporation will generally refrain from escalating recovery action in relation to the arrears covered by the plan.

This does not prevent recovery action if:

- the payment plan is breached; or
- further levies fall due and remain unpaid.

Accuracy of Information

Applicants must ensure that all information provided is accurate and complete. Providing false or misleading information may result in refusal or cancellation of a payment plan and continuation of levy recovery action.

Records and Privacy

This application and any approved payment plan will be retained as part of the Owners Corporation's records in accordance with legislative requirements. Personal information will be handled in accordance with applicable privacy laws.

Independent Advice

NSW Fair Trading recommends that lot owners seek **independent legal or financial advice** if they are unsure about their obligations or the consequences of entering into a levy payment plan.