

POLICY ON OVERDUE SERVICE CHARGE AND SERVICE CHARGE STATUS ON SELLING

Effective 3 August 2025

It is very important that the company minimises overdue Service Charges. Everyone is requested to pay promptly each year, preferably at the AGM when invoices are handed out to those present, or at least within 30 days without being reminded. This helps the volunteer Finance Director's workload, ensures maximum bank interest is generated, and helps to keep the Service Charge to a minimum.

We thank those who pay promptly, but as a result of a significant number of late payments, the following policy for overdue payment was approved at the 2004 AGM.

Shareholders who fail to pay the Service Charge in full within 30 days of date of invoice will be charged interest on the sum outstanding at the rate of 5% per annum over the Barclays Bank base rate from the due date to the date of payment. In the case of shareholders who fail to pay one year's Service Charge and also become overdue on the next year's payment, the Company may apply for a County Court Judgement against the shareholder. The debt, including all interest, County Court and any other costs, will be recorded on the Land Registry documents of that shareholder's property to ensure the debt is paid before that shareholder's property can be sold.

With regard to the apportionment of the Service Charge on the sale of a shareholder's property¹, it is routine for the apportionment to be arranged between Seller and Buyer through solicitors during the property selling process. In the past a number of Sellers have delayed payment of the Service Charge, calculated their own apportionment without allowing for arrears of interest, sending the Company a reduced amount, and leaving the Company with the awkward task of approaching a new arrival with an invoice covering the overdue balance. Please be considerate to your own Company and to the volunteer Directors and make the apportionment easier for them and the Buyer by following the above routine procedure.

1. There is a correct procedure to follow when selling a Marina property. The Seller is obligated to arrange for the Buyer to sign the Marina Agreement signed when buying. It is expected that the Seller or their solicitor will request blank copies of the Agreement from the Company Secretary for passing over to the Buyer for signature. The same arrangement applies to the Licence Agreement where applicable. To enable a Share Certificate to be issued to a new Buyer after completion, the Seller must sign a Stock Transfer Form and arrange for this and their Share Certificate to be returned to the Company Secretary.