

# Payment Arrangements

## Maintenance Enforcement Program

Payors who cannot immediately pay all outstanding amounts (arrears) can set up a payment arrangement with the Maintenance Enforcement Program (MEP) to pay the arrears over time. A payment arrangement generally requires the payor to pay their ongoing support amount and an amount toward the arrears.

The MEP may allow short-term payment arrangements for less than the ongoing amount to provide interim relief for payors who are experiencing a financial set-back or planning to return to court to reduce their support amount. This allows payors to make lower payments while avoiding enforcement actions, default penalties, and interest. This does not change the terms of the maintenance order. The full amount of maintenance will continue to be charged and accumulate as arrears.

Payors who make payments according to a payment arrangement:

- Make consistent payments to support for their families and reduce their arrears;
- Have some collection actions removed and avoid further collection actions; and
- Avoid monthly default penalties and interest charges.

### Statement of Finances (SOF)

The MEP requires payors to complete a SOF to determine an appropriate amount for the payment arrangement. Payors complete the SOF document by providing information about their employment, expenses, income and assets. The MEP may also ask for additional information, such as pay stubs, Notices of Assessment, or bank statements.

Failure to return a SOF requested by the MEP may result in a \$205 penalty and continuing enforcement action to collect arrears.

### Collection actions while a payment arrangement is in place

- The Federal Support Deduction Notice, writ at the Personal Property Registry, liens against land, and credit bureau reporting may remain in place until all arrears are paid in full.
- The MEP may require up to three consecutive payments before releasing: motor vehicle restriction, hunting and fishing licence restriction, driver's licence suspension, and federal licence denial.
- The MEP may attach non-wage lump-sum amounts (including inheritances, settlements, and lottery winnings), and may take action to seize assets under the *Civil Enforcement Act*, even when the payor is making the required ongoing payments.

### When does a payment arrangement end?

Payment arrangements end when the payor does not pay a required payment within 31 days of its due date. The MEP may also periodically request an updated SOF or additional information to determine whether it is appropriate to continue a payment arrangement. When a payment arrangement ends, the MEP enforces against the full amount of arrears using enforcement actions, default penalties, and interest.

### Missed Payments

Payors have 31 days to pay the missed payment and the \$40 default penalty to prevent the payment arrangement from ending. To request that a payment arrangement which had ended be reinstated, payors can contact their case officer. Case officers may require a new SOF or other documentation.

### Court-ordered payment arrangements (COPA)

The courts may order a payment arrangement. The MEP generally enforces court-ordered payment arrangements in the same way as payment arrangements set up by the MEP. However, there are some key differences.

- If the order states that all arrears become enforceable if the payor does not make the required payments, the arrangement ends when the payor does not pay a required payment, and any applicable penalties, within 31 days of its due date.
- If the order does not state that all arrears become enforceable if the payor does not make the required payments or meet other terms ordered by the court, the COPA is only terminated by another court order. If the payor does not make the required payments, the MEP only enforces the overdue amounts according to the COPA.
- The MEP does not issue enforcement actions to collect more funds than the COPA requires, except in the case of windfalls. The MEP may issue non-wage support deduction notices to attach windfalls received by the payor, even when the payor is making payments as required according to a court-ordered payment arrangement.

- MEP has other Information Sheets, on a variety of helpful topics. To see them, visit MEP's website at [alberta.ca/mep](http://alberta.ca/mep).
- To contact MEP, phone 780-422-5555 or toll-free in Alberta at 310-0000.
- To view information about your MEP file, log in to *MEP Accounts Online* on MEP's website and select "Account login".