

Financial Suspension of Clubs

Effective July 2, 2010, a club, which has an unpaid balance in excess of US\$20 per member or US\$1,000 per club, whichever is less, outstanding past 120 days will be suspended, including the suspension of the club's charter, and all the rights, privileges, and obligations of the Lions club.

Any club approved for a payment plan by the Finance Division will not be suspended.

In the event the club does not acquire good standing, as defined by board policy, on or before the 28th day of the month following suspension, the club's charter will be automatically cancelled.

Suspended clubs can hold meetings to discuss the future of the club and to identify actions to take to regain an active status, as well as make payments to clear the existing outstanding balance, or request a payment plan. However, the clubs cannot be involved in the following activities:

- a. Conducting service activities and fund-raising activities
- b. Participating in district functions and seminars
- c. Endorsing or nominating a candidate for district, multiple district and international office
- d. Submitting the Monthly Membership Report
- e. Sponsoring new clubs, including Leo and Lioness clubs

Each month the association notifies all district governors of the clubs in the district in suspension, released from suspension or canceled. The district governor and other district officers can avoid unnecessary charter cancellations by assisting suspended clubs either to pay the outstanding balance or negotiating a payment plan with the Finance Division at International Headquarters.

Reactivation of a Club Placed on Financial Suspension

In order for a club to regain an active status from financial suspension, the club must:

Pay entire outstanding club account balance and submit a copy of payment receipt to the Accounts Receivable and Club Account Services Department at accountsreceivable@lionsclubs.org.

Submit regular monthly membership reports to ensure the membership is correct. A reactivation report is not required as long as the club roster is reviewed regularly.

If full payment is not possible, request a payment plan and remit payment as agreed. The club is reactivated upon receipt of full payment.

Charter Cancellation from Financial Suspension

Clubs are automatically canceled if payment is not received before the 28th day of the month following suspension. Clubs, however, are reactivated upon receipt of the full amount outstanding along with the reactivation report filled out and signed by the district governor. The 1st vice district governor may also

be asked to sign the Reactivation Report if reactivation from Financial Suspension exceeds 10 clubs during the term. All approved reactivations must be received within twelve months following cancellation.

The district governor sends the completed Club Reactivation Report form (DA-970) to the Accounts Receivable and Club Account Services Department at International Headquarters. This report is available on the association's Web site.