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NEWS

## SSMU settles with CASA for \$35,000

### Three-year legal dispute over membership dues resolved this year

By Humera Jabir  
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The Students' Society of McGill University has settled a three-year legal battle with the Canadian Alliance of Student Associations (CASA), agreeing to pay \$35,000 to the federal student lobby. SSMU confirmed the settlement earlier this week, although the agreement was finalized last May.

McGill undergraduates voted to leave CASA in October 2005. Following SSMU's withdrawal, CASA claimed that SSMU had failed in membership dues for the year, and filed a lawsuit of \$28,000 against the Society. The case was due to be heard in court last December, but was postponed to May when SSMU changed legal counsel.

Max Silverman, who served as SSMU VP External from fall 2006 until spring 2008, argued that since McGill undergraduates had disaffiliated from CASA in October of that year, they were not obligated to pay eight months' worth of fees to the Alliance.

"Because we left in the fall of that year...and for us the school year is eight months long, it didn't make sense that we should have to pay all eight months for only one month of membership. I know that basically that was our moral claim to the money," Silverman said.

In 2007, SSMU had offered to pay CASA \$8,000 to settle the claim. Silverman considered the offer to be a reasonable compromise since the Society had already paid its first installment of fees – understanding that CASA had planned for the revenue in its budget.

CASA national director Arati Sharma said that while CASA does not often go to court when members leave, unpaid membership dues are cause for legal action.

"We are a small organization and don't have a large budget, and so when a school leaves and doesn't give proper notice, it significantly impacts our budget, impacts our work here in Ottawa for the rest of our membership, and means that we have to pursue legal action," said Sharma.

SSMU president Ivan Neilson said that although last year's executive had finalized the terms of the settlement, he welcomed a conclusion to the case.

"It doesn't serve our interest to have the organization be burdened with legal battles unnecessarily and we are happy to have reached a decision," said Neilson.

Neilson also said that while SSMU's former legal counsel had recommended legal action, Rena Kermasha, the Society's new legal representative, decided to settle out of court after having reviewed the facts.

"Most cases that get introduced into the court record end up being settled, and it's not a reflection of good faith or bad faith, but a question of leverage," said Kermasha.

"[In this case], both parties were interested in negotiating, which is why we ended up settling outside of court."

The financial cost of the case, however, is not limited to the \$35,000 settlement. According to Jose Diaz, SSMU VP Finance, the case will eventually cost SSMU approximately \$70,000 in legal fees.

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