

TRI-COUNTY RURAL ELECTRIC COOPERATIVE, INC.

POLICY BULLETIN NO 3-12

SUBJECT: DISHONORED CHECKS OR ACH PAYMENTS

I. POLICY:

The cooperative must use prudent business practices in dealing with co-op members who pay for electrical service with a “dishonored check or ACH payment.”

II. PROCEDURE:

A. When a dishonored check or ACH payment is received from any bank, the following procedure is followed:

1. The member will be notified and assessed a Dishonored Check/ACH Payment fee (see Schedule of Fees).
2. A written notice will be sent to the member at the address of record. The notice will advise them of the dishonored check or ACH payment and will give the member ten days from the date of the delivery to make full payment plus any other charges outlined in 1 above. If full payment and fees are not received within the ten-day period, the information will be submitted for collection.
3. After due and proper notice, serviceman will be directed to either collect the amount due or disconnect the service. Only cash, credit/debit card, money order or a cashier’s check will be accepted in payment.
4. To avoid member inconvenience and hardship, accounts generally will not be disconnected on Fridays or the day before a national holiday.
5. If two (2) or more dishonored checks or ACH payments are received from a member in any twelve (12) month period, no personal checks will be accepted in the following twelve (12) months. In the case of an ACH payment, the member will also be removed from the program for a twelve (12) month period.

III. RESPONSIBILITY:

President & CEO or Designee

Approved: 6/19/79.

Reviewed: 9/16/80, 5/9/83, 2/18/86, 4/19/88, 3/20/90, 10/20/92, 11/20/94, 11/19/96, 11/97
11/21/00, 10/26/10, 12/18/12, 08/25/14, 09/29/16.

Revised: 9/16/80, 5/9/83, 3/20/84, 11/17/98, 11/20/01, 11/25/03, 11/22/05, 10/24/06,
11/20/08, 11/20/09, 10/27/15.