

Title:

RETURNED PAYMENT POLICY

Policy No. R-3

Effective Date: January 8, 2013

Adopted By Board: February 9, 1998

Revised By Board: January 8, 2013

Certified By:


Chairman

Scope: This policy applies to customers who have issued a returned check, unpaid bank draft or returned EFT.

Purpose: The purpose of this policy is to establish the procedures which will be followed upon the receipt of a returned check, unpaid bank draft or returned EFT.

Hartselle Utilities will charge a thirty dollar (\$30.00) fee for each check, bank draft or EFT that has been presented as payment for any service provided by Hartselle Utilities and has been returned by the issuing bank unpaid. An attempt to notify the customer of a returned check will be made by telephone, when available, or by hand delivered door knocker. **No representation is made by Hartselle Utilities that the utilities' is obligated to substantiate that the notification attempt was received by the customer.** Customer will have forty eight (48) hours from the time that Hartselle Utilities receives the returned check or draft to redeem the item by cash or certified funds.

If payment is not received by Hartselle Utilities within forty-eight (48) hours from receipt of a returned instrument, Hartselle Utilities will disconnect service(s) provided to the account for which the returned item was received. Any account that has been disconnected due to a returned item will be subject to the standard reconnection fees and all other terms set forth in Policy R-4 "Suspension of Service" in addition to the fees set forth in this policy.

Any customer presenting three (3) checks which are returned unpaid within a six-month period shall be unable to issue a check for payment on their account for the subsequent twelve (12) month period. During this period their account must be paid by cash or certified funds. A certified letter will be sent to any customer upon receipt of a third unpaid check informing the customer of the period for which checks will not be accepted as payment on their account.

Any customer presenting three (3) bank drafts which are returned unpaid within a six-month period shall be unable to continue bank draft as their method of bill payment for the subsequent twelve (12) month period. During this period their account must be paid by cash or certified funds. A certified letter will be sent to

any customer upon receipt of a third unpaid draft informing the customer of the period for which drafts will not be accepted as payment on their account.

Suspension of EFT privileges, after a returned EFT, is at the sole discretion of the third party contractor responsible for EFT transactions.

Customers who have issued six returned checks or bank drafts to Hartselle Utilities will be required to pay their account by cash or certified funds for the subsequent twenty-four month period. At the end of this period, the General Manager has the discretion to reinstate check writing or bank draft privileges.