

**EGYPTIAN ELECTRIC COOPERATIVE ASSOCIATION
POLICY BULLETIN NO. 121**

SUBJECT: PAYMENT AVOIDANCE & COLLECTIONS OF UNPAID ACCOUNTS

POLICY:

The Cooperative and its consumer-members must deal in good faith with one another. In some situations, the Cooperative must take action to protect itself, and its consumer-members, from persons seeking to use a pattern of action to avoid payment for service and/or debt left with the Cooperative from prior service.

1. Payment Avoidance

- a. A consumer-member that leaves the Cooperative with an amount still owed on the consumer-member's account and attempts to reconnect with the Cooperative at any time as a single applicant or jointly with another applicant, will be required to pay any and all amounts owed to the Cooperative from prior service.
- b. If a current consumer-member, a former consumer-member, or new consumer-member applies to connect with the Cooperative and there is reasonable belief that the consumer-member is associated with a debt from prior service and will be residing at or responsible for the service location and the Cooperative reasonably believes the consumer-member is attempting to avoid paying a deposit or the debt from prior service (i.e. putting service into friend, roommate, or relative name to avoid payment) the Cooperative, at management's discretion, may require that any and all amounts due the Cooperative from prior service be paid in full before connection of service to said requested location.
- c. In applicable situations and in management's discretion, a landlord or landowner, may be required to pay an outstanding debt or make current the account balance from prior service before a new service will be reconnected at the requested service location.

2. Final Billing

- a. Members who request a disconnect of service will receive a final bill in the subsequent billing cycle.
- b. If the final bill is not fully paid by the due date, a second bill will be sent to the last known or forwarding address on the account. Additional phone calls and/or emails may also be utilized from the email addresses and phone numbers that were last listed on file with the Cooperative.

3. Collection of Unpaid Accounts

- a. If, after reasonable efforts, the Cooperative is unable to collect a delinquent balance on a current or closed account after 90 days past due, unless the consumer-member has otherwise made payment arrangements, the account will be turned over to a third-party collection agency for amounts of \$50.00 or more.
- b. Collections will be turned over in the name of the entity, single or joint membership name(s).
- c. As to any consumer-member, whether past or present, when a retirement of capital credits is made in accordance with the Cooperative Bylaws, the payable capital

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credits will be applied first to any and all debt owed to the Cooperative until the balance is paid in full pursuant to Section 7.02 of the Cooperative Bylaws.

- d. In the event a past or present consumer-member files bankruptcy, the Cooperative's right of setoff and/or recoupment against a member's outstanding debt shall be applied in accordance with the Cooperative Bylaws and current applicable laws and regulations.

4. RESPONSIBILITY

The General Manager/Executive Vice President shall ensure implementation of this policy. It is the responsibility of all employees and the EECA Board of Directors to comply with this policy and report concerns in accordance with this policy. The General Manager shall periodically review this policy.

Adopted: 8/27/2024

Attested: Kevin Bame, Secretary