

SAND MOUNTAIN ELECTRIC COOPERATIVE

SUBJECT: General Power Security Deposits

I. OBJECTIVE

- A. To establish a uniform policy for the payment of deposits that shall be required of cooperative members or prospective members.
- B. To assure that the deposit policy shall be applied without regard to race, color, creed, sex, age, national origin, marital status or a handicap.

II. CONTENT

- A. A deposit of one month's estimated bill will be required of any General Power consumer before electric service is supplied. The estimate should be based on possible usage and consistent in regard to the installation involved.
- B. At the discretion of management, surety or performance bonds equaling two months bill issued in writing to the cooperative by a reputable company may be accepted in lieu of cash deposits.
- C. Upon termination of service, any retained deposit and interest shall be applied toward unpaid bills of members and if any balance shall remain it shall be refunded to the member.
- D. Interest shall be paid on all deposits. The interest rate earned on the deposit shall be comparable to the annual rate of interest earned by the cooperative on its primary bank account and shall be credited to the members deposit amount and returned to the member as spelled out in section C. above.

II. RESPONSIBILITY

It shall be the responsibility of the Manager of Finance and Office Services to see that this policy is complied with.

Attest _____
Secretary

Date Adopted: February 24, 1981
Date Revised: October 23, 1990

Date Revised: August 24, 2004
Date Revised: October 28, 2014
Date Revised: November 25, 2014
Date Revised: March 24, 2015