

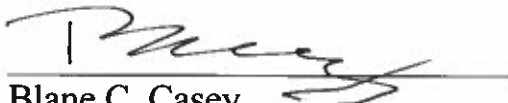
Notice of Dishonor Policy

The Town of China's policy is as follows:

- **First Offense:** Once the bank dishonors a check or electronic payment, we do not redeposit. The office immediately sends a notice of dishonor to the party(ies) on the check referencing the statute and its penalties. In the case of a business check, the parties notified will be the same as written on the check. The letter references that the check must be made good within five days of receipt of the notice, by bank certified check or in cash. Insufficient checks may never be paid with a debit or credit card. The parties are **immediately** prohibited from writing another check or paying by electronic check to the Town of China for a period of six months. The six-month period begins the day the check is made good.
- **Second Offense:** After the six-month period expires and we receive a second insufficient check or electronic payment, the parties must honor the check in the manner as stated above and they will not be able to write a check or make an electronic payment for one year from the day that the check was made good.
- **Third Offense:** Once the year passes, if another check or electronic check is dishonored, we will only be able to accept cash or a bank certified check for any transactions.
- If the notice of dishonor is the fault of your bank, credit union, or credit card company (in the case of a credit card check), you must present a letter to the town from the establishment acknowledging their error, so that the six-month period of no check writing may be waived.
- If a person is on the "no check" list, the loss of check writing privileges will apply to all bank accounts not just the one the check was written from. If a business is on the "no check" list, no business checks will be accepted from any account. If both a person and a business were on the dishonored check, the town will not accept checks from either holder's accounts.

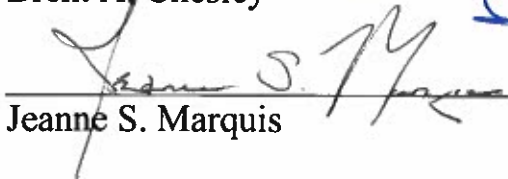
- Notice of Dishonor is otherwise handled pursuant of 17-A M.R.S.A. subsection 708.

Policy adopted: 2nd day of January 2024.


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