

## **COLLECTIONS POLICY**

We began selling and financing land and other rural properties in 1977. It was our goal to offer "a little bit of land just outside of town" with financing affordable for most families. We applied light restrictions to most of our properties, which enabled our customers to enjoy a lifestyle free of the major restrictions that are so often encountered in town.

This appears to be the type of program that is appealing to many, as the business has grown from only five accounts in Lawrence County, Alabama, in 1977 to more than 200 active accounts in five states at the present time. Also, numerous others have already paid off their accounts and received their deeds.

Hence the paperwork and bookkeeping in our office has greatly increased since we began. In the early days we were able to be very familiar with every customer and to handle each account in an informal and very personalized manner. With so many accounts on the books now, it has become necessary to apply computers and more formalized bookkeeping. We try to be very accessible to all of our customers, but the sheer volume and spread-out nature of the property we are selling is making this more difficult.

In order to handle all accounts in an organized and consistent manner, the following guidelines will be followed and enforced:

1. A LATE FEE is due and must be included with any payment made more than 10 days beyond the scheduled due date.
2. A computer-generated reminder will be sent when a payment is 15 days late informing the customer that the payment plus the late charge is overdue.
3. For an account that is 30 days delinquent, the customer will be notified by mail and we will also ATTEMPT to contact the customer by telephone.
4. At the 45 day delinquent point, the customer will be sent a DEMAND LETTER that states that the account must be brought current and reminding the customer that CONTRACT TERMINATION for lack of payment will be enforced at the 60 day point.
5. At the point of 60 days delinquent, the customer will be notified by CERTIFIED MAIL that the contract has been terminated. Refusal of the CERTIFIED MAIL will also result in CONTRACT TERMINATION.

Please understand that it is the responsibility of the PURCHASER to keep up with and to make all payments. Any reminders or notices that are sent to the Purchaser are done so simply as a COURTESY. It is our policy not to accept post-dated checks or partial payments under any circumstances.

Please do not hesitate to call our office (865) 230-9030, to discuss any payments that are likely to be delinquent or to keep up with the status of your account.

We understand that these are somewhat difficult financial times, and we believe that an understanding of our policies will enable each of our customers to eventually pay out the land that has been contracted.