

Credit Policy

We have been pretty lenient on accounts receivable in the past. Our rapid growth forces us to maximize our cash flow rate. The best way to do that is to collect accounts receivable when they are due. Our regular term is **Net 30** from the invoice date.

Here is our policy/program:

1. When an invoice is 3-7 days past due a telephone call will be made. This is designed to identify and resolve any problems and/or discrepancies or confirm that payment is in process.
2. If an invoice becomes 15 days past due a reminder call will be made.
3. If steps 1 and 2 are unsuccessful and an invoice becomes 22 days past due, a telephone call will be made and the account may be placed on credit hold. Placing an account on credit hold restricts the shipment of orders.
4. When an invoice becomes 30 days past due, we reserve the option to apply a 1.5% per month finance charge back to the due date of the invoice and for any 30 day period going forward in which the invoice remains unpaid. The account will be changed to terms MasterCard, Visa or Cash on Delivery.
5. If an invoice becomes 45 days past due, your account may be referred to an outside collection agency unless we have jointly agreed on a program to get the account paid in full.
6. At 60 days past due your account will be referred to an outside collection agency. When the account is referred to a collection agency, the collection charges will be invoiced and added to your account balance.

We hope this does not inconvenience you and that you understand. If you **EVER** have a temporary problem or we have made a mistake on an invoice, **PLEASE CALL US IMMEDIATELY TO DISCUSS AND RESOLVE THE PROBLEM.**

Yours very truly,

Daniel S. Maddox

Received, Read and Understood

(Customer Name) _____

(Signature of Person Responsible for Payment)

Date _____