

#7. TOWN OF LUNENBURG POLICY

RETURNED CHEQUES

1. It shall be the policy of the Town to levy a charge to recover additional staff time and handling costs in respect to the paper work associated with returned cheques.
2. The Town, its Boards and Commissions, shall levy a \$10.00 charge to the account of an individual or firm whose cheque has been returned by the Bank marked "Non-sufficient Funds", "Account Closed", etc.
3. The Town Treasurer shall be responsible for the implementation of the policy on behalf of the Town.
4. The Town shall have the right to request the replacement of the cheque and the payment of the charge in cash if it is deemed necessary.
5. Any discounts given through the payment of the original cheque may be reversed out and any payment represented by the original cheque may be reversed out of the customers account by the Town.
6. Any cheques not replaced in a reasonable amount of time (maximum 30 days) may be turned over to the Police Department for further action.
7. The Town may waive the charge outlined in Clause (2) if the cheque was returned due to the fault of the Town.

e.g. Depositing too soon a post-dated cheque.