

**Powell-Clinch Utility District
Appliance Financing Policy
Approved & Effective: July 1, 2021**

BACKGROUND AND PURPOSE:

The purpose of this policy is to define the criteria by which PCUD will extend the financing of the purchase and installation natural gas appliances.

LIMITATIONS:

All financing of appliances are subject to credit approval.

POLICY STATEMENT:

PCUD establishes this policy stating the criteria for customers financing natural gas appliances:

1. The applicant should be the owner of the property (proof of ownership is required).
2. Financing is only available for appliances that consume natural gas, except for washing machines sold paired with a gas clothes dryer.
3. The applicant must be an active PCUD customer in good standing.
4. The applicant must complete and sign the credit application in order for PCUD to obtain credit information.
5. Credit approval will be based on: (a) at least 12 months satisfactory payment history as a PCUD customer, or (b) a Beacon score (or equivalent) of at least 600 on the applicant's credit report.
6. Maximum credit allowed is \$4,000.
7. PCUD will allow financing for to up 12 months for amounts up to \$2,000 and for up to 24 months for amounts in excess of \$2,000, with monthly installment payments added to the applicant's gas bill. Financing in excess of 24 months may be allowed at the discretion of the President.
8. The applicable interest rate for the 12 to 24 month financing period is zero percent.
9. Special order non-stock items may be financed. However, the customer must pay one-third of the cost of the non-stock item at the time the order is made. This payment is non-refundable.
10. A signed note/security agreement will be kept on file at the District office for the duration of the agreement.
11. Any applicant involving a foreclosure, bankruptcy or repossession in the past seven years is not eligible.
12. The customer service manager will approve all financing agreements.
13. Terms of this program are subject to change at the discretion of PCUD.