

Terms and Conditions of Sales

- The payment for all sales of goods or services will be according to the terms stated on the invoice for the sale of goods or services. The failure to pay on the net due date on each invoice shall deem the debt to be delinquent.
- We are obligated to comply with the provisions of 31 U.S.C. 3717 and 31 CFR Chapter IX Part 901.10 on assessment of interest, penalties, and administrative costs to all delinquent debt.
- Our terms are Net 30. These regulations require interest and penalties to accrue on all delinquent debt and are to be recorded monthly until the debt is collected in full or otherwise discharged.
- Interest must be charged on the amount due at the current Treasury Current Value of Funds Rate, which is currently 4 % per year. The rate will be assessed based on invoice date and current Funds Rate. This rate will remain fixed for the duration of the indebtedness.
- A penalty of six percent per year must be assessed on the amount due for failure to pay debt more than 90 days past due.
- Internal Offset will be done for any delinquent debt owed from a vendor which debt is still delinquent 30 days after the initial demand letter is sent. This process will withhold funds owed to your company and may be applied to the delinquent balance owed by your company.
- Additionally, you may be charged an administrative fee each time an effort is made to collect on outstanding amount due. Further, we are required by law to turn any debt over to the U.S. Treasury for collection once the debt reaches a certain age. Treasury collection may include, but is not limited to; offsets through the Internal Revenue Service (IRS), State Payment, administrative or salary offset actions, reporting of debt to a credit bureau, or referral to the U.S. Department of Justice Counsel for litigation.
- A debt that is forgiven in the amount of \$600.00 or more is considered income for the debtor. This benefit will be reported to the IRS as such at the end of each calendar year.
- We will be reporting your credit information to the appropriate credit reporting agencies on a monthly basis.
- Outside Agencies used in the credit decision and for reporting debt are:

Dun & Bradstreet	Experian
899 Eaton Ave	P.O. Box 9531
Bethlehem, PA 18025	Allen, TX 75013
888-814-1435	888-211-0728 # 4
- We will be conducting periodic reviews of your payment and credit history, should we feel an adjustment to this limit is warranted we will notify you of the change at that time. We would of course be pleased to review your account with you if you believe an increased credit line is justified.
- Payment will not be made subject to or governed by another payment agreement with your customers. Your payment terms are based on a Net 30 from invoice date.

- Check payments will be processed through PCC OTC. PCC OTC (Paper Check Conversion over the Counter) is a program that converts paper checks received into electronic debits to a check writer's account or into a substitute check image that is truncated and cleared under the authority of Check 21. Remittance checks will be converted to electronic funds transfer (EFT). Your check will be used to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours, and will be shown on your regular account statement. We will retain a copy of your check and destroy the original. Your original check will not be returned. If the EFT cannot be processed for technical reasons, you authorize us to process the copy in place of your original check. If the EFT cannot be completed due to insufficient funds, we may make an additional attempt to transfer funds.
- Negotiable instruments we accept are Company's Check, Cashier's Check, Money Order, Certified Check, and major Credit Card.
- Notify us if any change in billing address to ensure that no delays in payment occur due to non-receipt of invoices.
- All remittances or billing address changes need to be sent to:

**Federal Prison Industries (UNICOR)
PO BOX 11890
Lexington, KY 40578-1890**