

POLICY H

BILLING AND PAYMENT PROCEDURES

WATER BILLS

All payments for water bills and water services are to be mailed by U.S. Mail or delivered in person at the Business Office at 2719 S. Hwy 23, Ozark, Arkansas during regular business hours.

Water bills are mailed on or before the 1st of each month and are due on or by the 10th of each month in which it is billed. When an account is unpaid by the 15th of the month in which it is due, a shutoff notice is sent to the customer. The shutoff notice states that unless payment in full for the amount due is not paid promptly, service will be disconnected at any time on or after the 25th of the month in which it is due without any further notice.

PAYMENT FOR DISCONNECTED SERVICE

It is found by the Board of Directors of RiverSouth Rural Water District that the resources of the District are being abused by time and money spent in reconnections of water service for existing customers who fail to pay their bills time and who wait until disconnect is imminent before payment is forthcoming. There is a need for a policy that discourages this practice and provides for uniform procedures to remedy this situation.

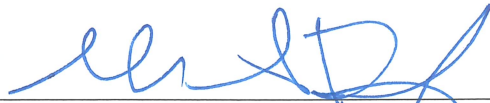
Upon service disconnections due to failure to pay the service charge as billed, the customer shall be required to pay the service charge as billed, plus any penalties and re-connect fee that may be applicable at the office of RiverSouth during regular business hours of the District. Upon payment as described, water service will be re-connected as soon as possible, but no sooner than the next regular business day, unless an emergency re-connect is requested and fully complied with as per Policy C of the District. Service personnel of the District are not allowed to accept payment for service charges, by cash, check or otherwise.

The term "Re-Connect Fee" is defined as follows:

Any connection of water service occurring after the first and original connection of water service by RiverSouth to a water customer which is required solely by late or non-payment of billed water service.

The re-connect fees and procedures for River South Rural Water District shall be as follows:

Customers shall pay Fifty Dollars (\$50.00) as a re-connect fee in addition to any and all amounts past due to the District before water service will be restored. In addition, the security deposit shall be increased by Fifty Dollars (\$50.00) on the second occurrence of a re-connect and past due account.



Marc Dietz, Chairman of the Board

Roy Jones, Secretary