

**DISTRICT 6 FCU  
107 BROADWAY  
HORNELL, NY 14843**

**DELINQUENCY RULES**

1. A loan will be deemed delinquent at the end of the 15<sup>th</sup> day past the due date and at that time any applicable fines or penalties will be imposed.
2. If a loan is **15** days in arrears, the **first notice** will be sent as a reminder. If payment is not received or contact made within the 30 days the available shares up to the amount due on the loan including penalties will be transferred to the loan.
3. If a loan is **30** days in arrears, a **second notice** will be sent. If payment is not received or contact made within the 45 days the available shares up to the amount due on the loan including penalties will be transferred to the loan.
4. If a loan is **45 days or more** in arrears, a **third and final** notice will be sent. If payment is not received or contact made, we will automatically take the available funds from the share account and we will be forced to turn the loan over to the credit bureau and/or repossess the collateral securing the loan.
5. Loan applications submitted by members who have been listed as officially delinquent in a current loan or during a previous loan may be given secondary priority consideration for loan approval and will be so prioritized at any time that funds available for lending are limited or restricted.

**\*\*\* The amount transferred from the share account will not exceed the loan arrears including fines and penalties. \*\*\***