

EXECUTIVE ORDER NO: 49

EFFECTIVE DATE: OCTOBER 22, 1993

SUBJECT: CREDIT POLICY FOR METRO SOLID WASTE DISPOSAL FACILITIES (Provisions in this document rescind those of Executive Order No. 40)

Metro Credit policy is established in Metro Code Section 5.02.060 Credit Policy at Metro Solid Waste Disposal Facilities.

Section 1. Explanation of Credit Terms

Account charges shall accrue on a monthly basis. Statements will be mailed on or about the tenth day of the month for disposal services rendered in the prior month. A statement must be paid no later than the last business day of the month in which it is mailed, and is considered past due thereafter. A payment shall under no circumstances be considered received by Metro unless it is delivered personally to the Metro Department of Finance and Management Information during business hours or, if delivered by mail, is received in Metro's mail room.

Section 2. Application for Credit

Businesses not currently approved for credit and wishing to dispose of solid waste at Metro disposal facilities on a credit basis shall be required to first submit an application for credit (as attached and incorporated herein). Applicants will be notified within 30 days of the approval or denial of credit. Applications must be fully completed and signed by an authorized representative of the applying company. Metro shall exercise sound business judgment in determining approval or denial of credit. Generally a company will be in business for at least one year and have established at least three satisfactory trade credit references and a satisfactory banking relationship.

As to corporate entities, any stockholder owning 10% or more of the company must provide a personal guaranty. A copy of the guarantor's most recent financial statement will accompany the guaranty. If personal guaranties are not submitted by all stockholders holding 10% or more of the company stock, the company will be required to post a bond covering two months average usage. Companies trading in the open stock market will be judged on their financial ability to support the level of credit they are requesting.

If more than \$10,000 monthly credit is used or requested, a copy of the company's most recent financial statement will be required at time of application and must be submitted annually thereafter to maintain a credit account.

Section 3. Finance Charges

A finance charge of one and one-half percent shall be assessed on all past due charges on the fifteenth day of the month following the month in which a statement is mailed, and on the fifteenth day of each month thereafter. Finance charges will continue to be assessed on negotiated repayment schedules. Payments will be applied first to finance charges and then to the oldest amount past due.

Section 4. Suspension of Credit and Service

An account that is fifteen days past due may be placed on a cash only basis, until all past due disposal and finance charges are paid. Facility access may be denied to a customer whose account is past due and unpaid for 30 days. A decision to place an account on a cash only basis or deny facility access shall be at the discretion of the Director of the Department of Finance and Management Information.

Section 5. Change in Ownership of Business

A credit customer that sells, terminates, or makes a substantial change in the scope of its business after its application for credit has been approved (including changes in legal entity) must notify Metro immediately. Failure to provide the notice required by this section may result in termination of credit at Metro facilities pending reapplication for credit.

Section 6. Additional Fees

A fee may be charged for accounts that require research to verify statement charges, including providing copies of invoices.

If litigation is instituted to enforce a credit agreement or collect the account established under a credit agreement, the prevailing party shall be entitled to costs, disbursements, and attorney fees, in trial court and on appeal. All legal actions related to this agreement shall be decided exclusively by a court of competent jurisdiction in Multnomah County, Oregon, under Oregon law.

SO ORDERED this 19th day of August, 1993



Rena Cusma, Executive Officer