

§402.604. Delinquent Purchaser.

(a) A delinquent purchaser is a licensed authorized organization, unit, or distributor that has not:

(1) provided full payment to a licensed distributor or manufacturer for equipment or supplies, or within 30 calendar days of:

(A) the actual delivery; or

(B) invoice for leased bingo equipment; or

(2) notified the Commission and the distributor or manufacturer that it disputes the invoice.

(b) Notification of Delinquency and Payment. A manufacturer or distributor must notify the Commission on a prescribed form of all delinquent purchasers by the 37th calendar day after the actual delivery of equipment or supplies.

(c) A manufacturer or distributor must notify the Commission on a prescribed form of a payment received from a delinquent purchaser within seven calendar days after receipt of the payment.

(d) A manufacturer or distributor who has terminated its license should report all payments made by delinquent purchasers for the six months immediately following the license termination.

(e) Delinquent Purchaser List. The Commission will maintain a Delinquent Purchaser List on the Commission's website and provide a copy of the list upon written request.

(f) Before the sale or lease of any equipment or supplies, a manufacturer or distributor must determine whether the intended purchaser is on the Delinquent Purchaser List. If a purchaser is on the Delinquent Purchaser List, a manufacturer or distributor may provide bingo equipment or supplies only upon terms requiring immediate payment by the purchaser. Any licensee or unit on the Delinquent Purchaser List must provide immediate payment for the equipment or supplies.

(1) Immediate payment is:

(A) for purchased equipment and supplies, payment upon delivery; and

(B) for leased bingo equipment or supplies, payment received by the seller within five business days of the issuance of the weekly bill.

(2) A manufacturer or distributor who receives a check for payment from a licensee or unit listed on the Delinquent Purchaser list must deposit the check into a bank account within three business days of the receipt of the payment.

(3) The licensee or unit must have adequate funds to cover the check for payment in its bingo account on the date the check is initially presented for payment.

(4) If the manufacturer or distributor does not timely receive payment for leased bingo equipment, the manufacturer or distributor must within 24 hours deactivate the bingo equipment for which payment has not been received.

(g) The Commission will remove a delinquent purchaser from the Delinquent Purchaser List twenty calendar days after its license termination date if the manufacturer or distributor who is owed a liability is no longer licensed and does not have a pending application for a new license.

(h) A delinquent purchaser that is a licensed authorized organization or distributor will remain on the Delinquent Purchaser List for twenty calendar days past the date of its license termination unless the Commission receives notice that the delinquency has been paid or the organization or distributor has a pending application for a new license at that time.

(i) A delinquent purchaser unit that dissolves will remain on the Delinquent Purchaser List for twenty calendar days past the date of dissolution unless the Commission receives notice that the delinquency has been paid. Members of a unit that was a delinquent purchaser will remain on the Delinquent Purchaser List until the liability is paid.

(j) A manufacturer or distributor may request that the Commission add a delinquent purchaser to the Delinquent Purchaser List that has been removed because its license was terminated if the delinquent purchaser is re-licensed and the liability has not been paid.

(k) Unit Accounting. If a delinquent purchaser joins a unit, the unit will be placed on the Delinquent Purchaser List until the delinquent purchaser's liability is paid, the delinquent purchaser withdraws from the unit, or the unit dissolves.

(l) A licensed authorized organization that was a delinquent purchaser when joining a unit will remain a delinquent purchaser after leaving a unit unless the liability is paid.

(m) If a licensed authorized organization withdraws from a unit that is a delinquent purchaser, both the unit and the withdrawing organization will remain a delinquent purchaser until the liability is paid.

(n) If a unit that is a delinquent purchaser because of a liability the unit incurred dissolves, all unit members at the time of dissolution will remain delinquent purchasers until the liability is paid.