

Bad Check Diversion Program

The Bad Check Diversion Program Works Because ...

- Bad Check reports are easy to file and follow-up action is prompt.
- Upon recovery, 100 percent of the face value of the check is returned to the merchants, plus applicable bank charges.
- There is no minimum dollar restriction for closed account checks and for non-sufficient funds checks the amount must be \$20 or over.

Key Terms

- **Bad Check:** a check that is not honoured when presented at the bank. The bank may indicate that the check was dishonoured due to "insufficient funds", "closed" or some other reason.
- **5-day notice:** a formal letter that lists the appropriate Michigan statute governing checks and instructs the bad check writer to make immediate payment or face prosecution.
- **Complaint:** the form that begins the formal criminal proceeding, it contains sections for relevant information about your business, the bad check writer and the bad check.

Steps in the Process

Step 1: *Present the check to your Bank*

Before the Sanilac County Prosecutor considers a check for prosecution, the check must be deposited and redeposited with your bank, even if you suspect the check will not clear. It is not necessary to redeposit closed account checks.

Step 2: *Send the 5-Day Notice letter*

Once the check returns as dishonoured, you must use the **notice form** provided by the Law Enforcement Agency and send the bad check writer a 5-day notice.

Step 3: *Submitting Documents to your local police department or Sheriff's Office*

If the bad check writer does not respond within 10 days, completely fill out the **complaint form** provided by the Law Enforcement Agency, attach photocopies front and back of the dishonoured check and the notice letter sent along with the mailing receipt for the notice letter, then mail all documents to the Law Enforcement Agency.

Checks that are **NOT** accepted

- Checks that are not passed in Sanilac County.
- The identity of the check writer is unknown.
- Checks that are pre-dated.
- Checks that are post-dated, or where an agreement was made to hold the check for later payment.
(Merchants beware: if you accept post-dated checks you do so at your own risk, because the check's message is "there isn't enough money in the account to cover the check today"!)
- Checks that are altered or suspected of being forgeries or counterfeit.
- Two-party checks.
- Payroll checks.
- Stop-payment checks.
- No amount, date or signature on the check.
- Numeric and written amount on the check do not match.
- Checks that are over 180 days old.

* * * **NOTE:** * * *

*Checks that are ineligible for the
Sanilac County Prosecuting Attorney's Bad Check Restitution
may still be eligible for collection by the Merchant
via small claims court or by a private collection agency.*