

assignees claiming thereunder, must provide an executed copy of the Certificate of Compliance with their request for assistance. They must also include a copy of the general and specific disclosures provided the member as required by Pub. L. 90-321.

(2) Creditors not subject to FRB Regulation Z (for example, public utility companies, grocery stores, and so forth) must include a certification that their request contains neither interest, finance charges, nor other fees in excess of that permitted by the laws of the state in which the obligation was incurred.

(3) Foreign-owned companies having debt complaints against a member must provide a true copy of the terms of the debt, translated into English, and certification of their subscription to the Standards of Fairness.

(c) *Evidence of prior actions.* Such evidence should include photostatic, file, or other duplicated copies, or documentary proof (for example, chronological account activity listings, notarized personal statements, postal documentation, and so forth) showing that every effort has been made to obtain payment by direct contact with the member.

§ 818.9 Dishonored checks and similar instruments.

Every check, draft, or order for the payment of money drawn on any bank or other depository carries with it the representation of payment in full when presented. If dishonored, checks and similar instruments are considered to be evidence of personal indebtedness until redeemed or the member asserts a valid defense to payment. The procedures in § 818.5 apply, and commanders should counsel members on Air Force policy regarding personal indebtedness. Although redeemed:

(a) Administrative or disciplinary action may be appropriate where criminal conduct is evident. The commander should consult the staff judge advocate to determine whether action under the Uniform Code of Military Justice (UCMJ) or other administrative action is appropriate.

(b) Repeated cases of dishonored checks may serve as the basis for administrative action, to include letters

of reprimand, UIF entries, overstepping identification cards to reflect the denial of check cashing privileges (AFR 30-20, Issue and Control of Identification (ID) Cards), or administrative separation. The commander should consult the staff judge advocate on the appropriateness of administrative action.

NOTE: These provisions are not appropriate for dishonored checks issued by a military dependent unless the staff judge advocate determines that the member may be held personally liable based on a review of the circumstances.

§ 818.10 Bankruptcy.

Air Force policy is one of strict neutrality. No adverse action may be taken against a member of the Air Force for either filing a petition or because of a discharge in bankruptcy. Underlying facts may involve mismanagement of personal affairs or dishonorable failure to pay just debts and could form a basis for adverse action against a member of the Air Force, but neither filing a petition (for bankruptcy or for payments out of future earnings) nor a discharge in bankruptcy can, of themselves, be considered "mismanagement" or "dishonorable."

(a) Commanders should consult with the servicing staff judge advocate before considering any administrative or disciplinary action against a member for conduct associated with a bankruptcy petition.

(b) Further, the staff judge advocate should be consulted when providing financial counseling for members considering bankruptcy.

(c) The Air Force recognizes and complies with decrees in bankruptcy cases.

§ 818.11 Involuntary deductions for personal indebtedness.

Federal law (5 U.S.C. 5514 and 37 U.S.C. 1007(c)) authorizes the Air Force Accounting and Finance Center (AFAFC) to satisfy a military member's personal indebtedness to the Air Force and other Department of Defense (DOD) Components, federal agencies, and nonappropriated funds instrumentalities by involuntary salary offset or administrative offset (AFR 170-30, Debt Collecting). In addition, the AFAFC is authorized to garnish the wages of Air