

POLICY DOCUMENT: REFUND & COMPENSATION GUIDELINES

Organization: NA Telecommunications & Internet Services

Department: Finance & Customer Operations

Document ID: FIN-POL-2025-04

Version: 1.0

Effective Date: 10/2/2026

1.0 Objective

To establish a standardized framework for issuing refunds, bill credits, and compensation. This policy ensures financial responsibility while maintaining customer satisfaction and compliance with consumer protection laws.

2.0 Refund Eligibility Criteria

Refunds and credits are not automatic; they must meet specific conditions based on service delivery failures or administrative errors.

2.1 Service Outages

- **Threshold:** Outages must last longer than **24 consecutive hours** to be eligible for financial compensation.
- **Verification:** The outage must be verified by Network Operations logs or a known Regional Incident ticket.
- **Calculation:** Compensation is calculated on a pro-rated basis relative to the monthly recurring charge (MRC).

2.2 Billing Errors

- **Definition:** System errors, double charges, or promotions that failed to apply automatically.
- **Action:** 100% reversal of the erroneous amount plus a "Goodwill Credit" if the error caused a service suspension.

2.3 Service Performance Failure

- **Speed/Coverage:** If a customer receives less than **50%** of the advertised speed (hardwired test) or has no signal at their primary service address (verified by coverage map/tech visit).

- **Resolution:** Offer plan downgrade to match actual speed delivered OR contract exit without Early Termination Fees (ETF).

2.4 Statutory Cooling-Off Period

- **Timeline:** 14 days from the contract start date.
- **Action:** "No Questions Asked" full refund of activation fees and monthly charges if equipment is returned in good condition.

2.5 Unauthorized Charges

- **Fraud:** Charges flagged as fraudulent or unauthorized by the account holder.
- **Action:** Immediate provisional credit applied while the fraud investigation is conducted (resolution within 30 days).

3.0 Compensation Matrix

Agents must adhere to this matrix when determining the appropriate compensation value.

Issue Category	Duration / Severity	Approved Compensation
Service Outage	< 24 Hours	Apology only; No financial credit.
Service Outage	24 – 72 Hours	Pro-rated credit for days without service (1/30th of bill per day).
Service Outage	> 72 Hours	Full month service credit + \$10 Goodwill Credit.
Billing Error	Any	Full reversal of error amount immediately.
Missed Tech Appointment	First Occurrence	\$25.00 Account Credit.
Missed Tech Appointment	Repeat Occurrence	\$50.00 Account Credit + Priority Reschedule.
Speed / Signal Issue	Verified < 50% Plan	Downgrade to lower tier price (retroactive to report date) OR Contract Exit.
Hardware Failure	Dead on Arrival (DOA)	Free expedited replacement + shipping refund.

4.0 Authorization Authority Levels

Credits exceeding an employee's limit must be escalated to the next tier for approval in the billing system.

Role	Max Credit Limit (Per Transaction)	Authority Scope
Tier 1 Agent	\$25.00	One-time courtesy, missed appointment (1st), minor pro-ration.
Tier 2 Senior Agent	\$75.00	Moderate outages, disputed fees, activation fee waivers.
Tier 3 Team Lead	\$200.00	Major billing errors, repeat issues, retention saves.
Tier 4 Operations Manager	Unlimited	Contract exits, legal settlements, ETF waivers, regulatory disputes.

5.0 Refund Process Workflow

Step 1: Verification

- Agent checks outage logs, speed test history, or technician notes to validate the claim.
- *Note:* "My internet feels slow" without data evidence is not grounds for a credit.

Step 2: Calculation & Approval

- Calculate the specific dollar amount.
- If within Agent limit (\$25), apply code ADJ-COURTESY or ADJ-OUTAGE.
- If above limit, submit a "Credit Approval Request" task to the Team Lead.

Step 3: Documentation

- Case notes must follow the format:
 - **Reason:** [e.g., 48hr Outage]
 - **Calculation:** [e.g., \$60 plan / 30 days * 2 days = \$4.00]
 - **Total Applied:** [\$4.00]
 - **Ticket ID:** [Incident #12345]

Step 4: Customer Communication

- **Script:** *"I have approved a credit of \$[Amount] for the inconvenience. You will see this reflected on your next billing statement generated on [Date]."*
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6.0 Anti-Fraud & Compliance Measures

6.1 Frequency Limits

- **Courtesy Credits:** Limited to **one (1)** per 6-month period per account.
- **System Flag:** The billing system will block agents from applying a "Courtesy Adjustment" if one was applied within the last 180 days. Manager override required.

6.2 "Serial Refunder" Flagging

- Accounts requesting refunds >3 times in 90 days are automatically flagged for **Revenue Assurance Review**.
- Agents must transfer these callers to the Tier 2 Support line for a deeper account audit.

6.3 Payment Method Verification

- Refunds for cancelled accounts are **only** processed to the original payment method (Card/Bank) to prevent money laundering. Checks are mailed only if the original method is expired.
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7.0 Timelines & Expectations

Managing customer expectations regarding *when* they will see their money is critical to preventing callbacks.

Transaction Type	Processing Time	Explanation Script
Bill Credit (Active Account)	5 – 10 Business Days	"The balance on your online account will update within 5 days, but it will officially appear on your next PDF bill."
Card/Bank Reversal	15 – 30 Days	"We have processed the refund today, but depending on your bank's processing cycle, it may take 1 to 2 billing cycles to appear on your statement."

Mailed Check	4 – 6 Weeks	"A check has been issued and will arrive via standard mail within 30 business days."
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Approved by: VP of Finance & Operations

Date: 7/2/2026