

Capital Credits

What are Capital Credits?

Capital Credits represent patronage dividends which the board of directors of a cooperative, acting under statutory authority, has elected to allocate to its patrons, not in cash or other medium of payment which would immediately take such funds out of the working capital of the cooperative, but in such a manner as to provide or retain capital for the cooperative and at the same time reflect the ownership interest of the patron. The interest will be paid to the patron at some later date to be determined by the board of the directors of the cooperative.

Allocations

Allocated Capital Credits fund part of an electric cooperative's working capital. The cooperative uses these amounts to help expand its electric system and meet other capital asset needs.

Keeping Us Informed of Address Changes

Please keep us informed of your current address so we can locate you when a refund is issued. If you move from the Arrowhead Electric Cooperative service area, the Capital Credits you have accumulated remain with the cooperative.

Changes in Joint Accounts

In the event of a spouse's death, the sole survivor of a joint tenancy account has the option to either "cash out" Capital Credits at the present-day discounted rate, or transfer all the Capital Credits to his/her name.

Unclaimed Capital Credits Are Donated to Our Scholarship Fund

In spite of our efforts to keep current addresses for past members, some checks are returned by the postal service without a forwarding address. In these cases we make several attempts to locate the member, or estate representatives, by placing the member's name on a listing in our newsletter. If, after an extended period of time, the member cannot be located, the capital credits amount is placed in a scholarship fund to be distributed to students within the Arrowhead Electric Cooperative service area who are furthering their education at an accredited school.

Questions?

Call Arrowhead Electric Cooperative at **800-864-3744** between the hours of 8 a.m. and 4:30 p.m. weekdays.

Arrowhead Electric
Cooperative, Inc.

