

## POLICY No. 6-17

### ISSUANCE OF CAPITAL CREDITS

#### **PURPOSE OF POLICY:**

To establish guidelines for the allocation of patronage capital in accordance with Article VI, Section 2 of the bylaws.

#### **POLICY CONTENT:**

##### Books and Records

The books and records of the cooperative will be maintained in a manner allowing Inland Power to clearly identify the membership, amount and year for which the patronage capital was provided.

##### Amount to Allocate

The total amount of patronage capital to allocate for each calendar year will include the cooperative's net operating margins and may include any non-operating margins at the board's discretion as set forth in the audited financial statements for each given year.

##### Method of Allocation

All margins will be allocated to each member on a patronage basis. This allocation process involves allocating the patronage amount for the current calendar year proportionately based on revenue class and each member's net patronage income.

##### Member Notification

The cooperative will notify each member in writing of the amount of patronage capital credited annually to their capital credit account. This notification should be done as soon as is practical following the close of each calendar year, but at least prior to August 15. No such notification is required for members whose entire patronage capital allocation is forfeited pursuant to Policy No. 6-18.

**RESPONSIBILITY FOR IMPLEMENTATION:**

The CEO is responsible for ensuring compliance with the above policy.

**POLICY APPROVAL DATE** 6/20/19

**POLICY EFFECTIVE DATE** 6/20/19



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Brian Slaybaugh, President  
Board of Trustees