

# All About Capital Credits

## How am I earning capital credits?

Every member of Menard Electric Cooperative is an owner. We do not exist to earn a profit and any revenues earned over and above the cost of doing business are considered margins. We allocate those margins as Capital Credits to the members who purchased electricity during the year they were earned.

## How are capital credits paid back to me?

Capital credits are an interest-free source of operating capital by you and the rest of our members which allows us to finance operations, with the intent to return the credits back to members later.

Our Board of Directors determines when a General Retirement of Capital Credits is paid out to members. Payment is made as a credit on an active account or as a check mailed to the member. It is important to keep your address with us up to date even if you move away from the area so that checks can be mailed later. As of 2023, we have repaid over \$15 million in capital credits allocated to memberships through a portion of the year 2002.

In the interest of fairness to all members, capital credits paid to estates are discounted to reflect the net present value of making the retirement early.

## What if my membership is held jointly with another individual?

If a membership is held jointly by two individuals and one individual dies the membership is reissued to the joint individual who retains all rights to allocated capital credits to be paid back on their normal cycle. It is important that memberships be kept up to date and the co-op be informed of any changes.

## Why should I fill out this form?

The Payable on Death-Designation of Beneficiary Form allows you to designate a primary and secondary beneficiary to receive, upon your death, any remaining capital credits allocated to the membership at a present-day value.

## What if I do not return the Designation of Beneficiary Form?

Memberships that do not have this form on file will require the executor of the deceased member to contact us to request paperwork that would be filled out, notarized and returned, along with a death certificate, to request capital credits.

# Payable on Death - Designation of Beneficiary

Illinois Uniform TOD Security Registration Act 815 ILCS 10/0.01 et. seq.



Member Information: <i>(Please print legibly)</i>			
Customer Number		Account Number	
Name		Email	
Name <i>(if joint membership)</i>		Email	
Address			
City, State, Zip		Phone	

I, \_\_\_\_\_ / \_\_\_\_\_, of \_\_\_\_\_, of \_\_\_\_\_, pursuant to the terms of \_\_\_\_\_

(Member Name) (Joint Member Name, if shared membership) (Address) (City, State, Zip)

the Illinois Uniform TOD Security Registration Act, designate the following as the beneficiary of my/our capital credit account with Menard Electric Cooperative (MEC) to be paid upon the death of both joint members, to:

Primary Designated Beneficiary:			
Name			
Address			
City, State, Zip			
Phone		Date of Birth	
Relationship		Email	
Secondary Designated Beneficiary:			
<i>(If the primary beneficiary predeceases the member/s, the secondary beneficiary accedes to the primary position. Optional.)</i>			
Name			
Address			
City, State, Zip			
Phone		Date of Birth	
Relationship		Email	

MEC is authorized to register ownership of my/our capital credit account with MEC in my/our name and pay on death to the primary beneficiary named above or the secondary beneficiary should the primary predecease me/us. This designation remains in effect until amended or revoked by member, or both joint members (if joint membership), in writing.

\_\_\_\_\_  
Member Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Member Signature *(if joint membership)*

\_\_\_\_\_  
Date

**Send completed form to: Menard Electric Cooperative, PO Box 200 Petersburg, IL 62675**