

# Q&A about Ownership Rewards

## **What is Ownership Rewards?**

Ownership Rewards is a portion of your equity or ownership of the cooperative.

## **Where do Ownership Rewards come from?**

A not-for-profit electric cooperative sets rates to generate enough money to pay operating costs, plus a reasonable margin. That margin is the member's equity.

## **How do I donate my current Ownership Rewards back to the cooperative?**

To donate your current check to the cooperative – which will be assigned to our member assistance program – just sign the check on the back. Below your signature, write: “Project Helping Hand Fund of ACCF.” Send the check with your bill payment, or in a separate envelope to:

**Adams Electric Cooperative  
Project Helping Hand Fund of ACCF  
1338 Biglerville Road  
P.O. Box 1055  
Gettysburg, PA 17325-1055**

## **How exactly is Ownership Rewards calculated?**

The amount is based upon the amount of electricity that you use each year and grows every year that you purchase electricity from the co-op. The actual annual amount is indicated on your April or May electric bill. Each year, a percentage of that equity is returned to you. If you are due more than \$10 in Ownership Rewards, you will receive a check.

## **Will I receive Ownership Rewards every year?**

Each year, the Adams Electric board of directors decides on whether the financial health of the cooperative will allow for ownership rewards.

## **What happens to my Ownership Rewards when I leave Adams Electric?**

After you move off the co-op's lines, your equity investment remains on the books and in your name until it is returned in full — a process that can take up to 20 years based upon the current method. Because of that, if you move off our lines, please keep Adams Electric updated on your new address(es) so you will continue to receive future rewards on time. Unclaimed Ownership Rewards is used by current members through scholarships and member assistance.

## **What happens when a member or former member dies?**

Ownership Rewards for a deceased member may be paid out early (at a discount) without waiting for the general multi-year process to take place. However, that is not automatic. A representative of the estate must submit the proper forms first and the board must approve the process.

## **Do investor-owned utilities pay Ownership Rewards?**

Within the electric industry, Ownership Rewards exist only at member-owned electric co-ops. Investor-owned utilities pay dividends to shareholders, who may or may not be customers.

## **How much money has been returned so far by Adams Electric?**

The amount of \$1.85 million returned in 2019 raises the total amount to more than \$42 million for all years.