

Board of Directors Policy

Subject: Disposition of Unclaimed Capital Credits			Policy No: 203
Original Issue: 4/19/95	Last Revised: 5/18/22	Last Reviewed: 5/18/22	Page 1 of 3

I. OBJECTIVE

To provide an orderly and systematic policy for the disposition of unclaimed capital credits held by La Plata Electric Cooperative, Inc. (Cooperative) in the name of a current or former member/consumer.

II. POLICY

- A. Disposition of unclaimed property of a member/consumer or former member/consumer shall be disposed of in accordance with provisions of Article XI, Failure to Claim Property, of the Bylaws of the Cooperative.
- B. The Cooperative shall mail notice to such member or former member/consumer at their last known address. The Cooperative shall also cause to be published an annual notice in a newspaper of general circulation in their service area, a list of member/consumers with their last known address, having unclaimed property in excess of \$10.00.
- C. Unclaimed properties retained by the Cooperative shall be charged a maintenance fee of \$10.00 per year until claim is made by the member/consumer according to the Bylaws and policies of the Cooperative.
- D. Unclaimed capital credits or patronage refunds left unclaimed for three (3) years from the date of publication shall be considered a contribution of capital and a part of the equity of the cooperative, and shall be used for educational, charitable, or other purposes at the discretion of the Board of Directors of the Cooperative.
 1. The Cooperative will allocate \$5,000 per month from the contributed Unclaimed Capital Credits to an education grant fund which La Plata Electric Round Up Foundation (Round Up) shall administer.
 2. The Cooperative will fund its scholarship programs annually from the contributed Unclaimed Capital Credits as indicated in Exhibit 1.

Board of Directors Policy

Subject: Disposition of Unclaimed Capital Credits			Policy No: 203
Original Issue: 4/19/95	Last Revised: 5/18/22	Last Reviewed: 5/18/22	Page 2 of 3

3. Periodically, the Board of Directors shall determine if and how it will distribute the remaining contributed Unclaimed Capital Credits.
 - a. If the Board opens the funds to grants, those grant applications will be due to the Cooperative no sooner than five months after the opening.
 - 1) Applicants for grants must have a non-profit status.
 - 2) Grants will be for educational, charitable, and public safety purposes.
 - 3) Grants will be used for projects within the Cooperative's service territory.
 - 4) The Board may, at its discretion, assign the review of applications to a committee or entity, such as Round Up. The Board of Directors will make the final decision of the distribution of the contributed Unclaimed Capital Credits.
 - b. The Board may fund an Innovative Projects Fund for the Cooperative.
 - 1) Projects and studies eligible for funding must meet the following requirements:
 - a) Projects and studies must not be typically part of the Cooperative's capital items or projects budgets or part of normal operational expenses.
 - b) Projects must be owned, operated, or under control of the Cooperative.
 - c) Projects and studies must be for investigating newer technologies in the area of electric energy.
 - 2) Staff of the Cooperative will present projects for consideration of the Board.
 - 3) Staff of the Cooperative will report on a periodic basis as to the actual costs and viability of the projects.

LA PLATA ELECTRIC ASSOCIATION, INC.
DURANGO, COLORADO

Board of Directors Policy

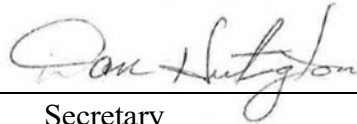
Subject: Disposition of Unclaimed Capital Credits			Policy No: 203
Original Issue: 4/19/95	Last Revised: 5/18/22	Last Reviewed: 5/18/22	Page 3 of 3

III. RESPONSIBILITY

The President of the Board of Directors shall be responsible for the administration of this policy.

5/18/22

Date



Secretary

Exhibit 1

- A. The La Plata Electric Scholarship will fund two annual scholarships for tuition, fees and books not to exceed \$7,000 annually for each scholarship for up to four years at a college or university for undergraduate study.
1. Eligible applicants for the scholarship must be high school graduates from any high school or a home school program or have attained their GED within the Cooperative's service territory. The applicant may attend any accredited college or university in the United States.
 2. The Scholarship Selection Committee will make final decisions on recipients of the scholarship. The Cooperative will keep all appropriate records in the event alternate candidates are needed to fill vacancies.
 3. Applicants must submit an official La Plata Electric Scholarship form along with a high school transcript. The form must be submitted to the Cooperative.
 4. The Cooperative will submit payment to the Office of Financial Aid at the chosen college or university of the recipient before the start of the semester.
 5. Recipients must maintain a minimum 2.5 on a 4.0-scale or equivalent grade point average the first year, 3.0 the second year and beyond, and successfully complete a minimum of 15 academic credits each term. It is the responsibility of the recipient to provide the Cooperative with a college transcript at the end of each term. After a student has attained a maximum of 150 credit hours he/she is no longer eligible for scholarship.
- B. The John Voelker Memorial Scholarship will fund two annual scholarships for tuition, fees, books, tools, and supplies not to exceed \$5,000 annually for each scholarship for up to two years at a vocational school, technical school, junior college, or university.
1. Eligible applicants for the scholarship must be high school graduates from any high school or a home school program or have attained their GED within the Cooperative's service territory. The applicant may attend any accredited institution of higher education including a vocational school, technical school, junior college or university in the United States.
 2. The major or program must lead to a degree, certification, or license in the student's field of study and must relate to a career in the rural electric industry.

3. The Scholarship Selection Committee will make final decisions on recipients of the scholarship. The Cooperative will keep all appropriate records in the event alternate candidates are needed to fill vacancies.
 4. Applicants must submit an official La Plata Electric Scholarship form along with a high school transcript. The form must be submitted to the Cooperative.
 5. The Cooperative will submit payment to the Office of Financial Aid at the chosen college or university of the recipient before the start of the semester.
 6. The student can use any overages following payment of tuition and fees to pay for required and necessary tools and supplies.
 7. Recipients must successfully complete 15 academic credit hours per term or the equivalent of a full load and maintain a minimum 2.5 on a 4.0-point scale or equivalent.
- C. The La Plata Electric Lineman Scholarship will fund two annual scholarships for tuition, fees, books, tools, and supplies not to exceed \$12,000 for each scholarship for up to one year at an electrical lineworker school.
1. Eligible applicants for the scholarship must be high school graduates from any high school or a home school program or have attained their GED within the Cooperative's service territory. The applicant may attend any accredited institution of higher education including a vocational school, technical school, junior college or university in the United States majoring in an electric lineworker program.
 2. The Scholarship Selection Committee will make final decisions on recipients of the scholarship. The Cooperative will keep all appropriate records in the event alternate candidates are needed to fill vacancies.
 3. Applicants must submit an official La Plata Electric Scholarship form along with a high school transcript. The form must be submitted to the Cooperative.
 4. The Cooperative will submit payment to the Office of Financial Aid at the chosen college or university of the recipient before the start of the semester.
 5. The student can use any overages following payment of tuition and fees to pay for required and necessary tools and supplies.
- D. The GED Testing Scholarship will fund a total of \$2,100 to assist with GED testing costs within the Cooperative's service territory.

1. The funds will be split between all of the continuing education programs in the Cooperative's service territory based upon the number of students served.
 2. The continuing education entities must apply for the funds annually and provide statistics with the number of students served.
- E. The Scholarship Selection Committee will be selected by a designee of the Chief Executive Officer (CEO) and be made up of members representing the Cooperative's service territory.
- F. Relatives of the Cooperative's board members, spouses, children, step-children, grandchildren, and step-grandchildren, are not eligible for the La Plata Electric Scholarship, John Voelker Scholarship, or the La Plata Electric Lineman Scholarship.