



May 2020 Capital Credits Retirement FAQs

Why did PPCS send this check?

Due to the financial crisis caused by the COVID-19 pandemic, the PPCS board of directors authorized an **early distribution** of **\$600,000** to members for the 2019 capital credit allocation in addition to a portion of the remaining allocation from 2002. Members will receive the 2019 allocations at the discounted present-day value, in lieu of waiting for a future retirement. PPCS paid out approximately 28% of the 2019 allocation to members (the present-day value of the dollars) and an additional 31% of the allocation from 2002. In 2019, PPCS paid out 46% of the 2002 capital credit allocations.

Why didn't I get a check?

If your capital credit retirement was under \$10.00, it was credited on your account. This saves you and your co-op money. There are no checks to cash or misplace, no checks to print and no postage costs.

What happens to the rest of my capital credits from 2019?

PPCS retires capital credits on an approximately 25-year rotation. Since the value of money changes over time, the 2019 allocation is discounted to present-day value. The board also approved paying approximately 31% of the 2002 allocation, which is paid at full value.

Why is PPCS paying out only 31% of the 2002 allocation?

The PPCS board approved paying out 31% of the 2002 allocation based on the remaining budgeted amount of distribution for 2020. Approximately 46% of the 2002 allocation was paid out in 2019.

Will I still get a check or credit on my account in the fall?

The PPCS board determines distribution of capital credits including additional distributions. There is no other budgeted distribution for 2020, but this is subject to change at the board's discretion.

What if I don't want the partial money now and I want my full amount later?

Simply return the check to PPCS and we will put the capital credits back on your membership to retire in the future. If you received a bill credit, call our office and ask to have the bill credit removed from your account. Checks or requests for bill credit must be received by PPCS within 30 days of receipt by PPCS members.

Why didn't we get a choice? Why did PPCS decide to retire 2019 in full now?

The PPCS board of directors determined this was the best way to help give every member some financial relief during the COVID-19 crisis. Retiring the 2019 allocation impacts all current members, not just individuals who have been long-term members. You can return the check to have the 2019 allocation applied to your membership. A check will be reissued for the 2002 retirement, if applicable.

This isn't enough to help; can I get more money, or can I get all my capital credits?

No. PPCS retires capital credits on an approximately 25-year rotation.