

**BASIN ELECTRIC POWER COOPERATIVE**

# **Member Investment Program**

## **Policy and Procedure Statement for Payment of Basin Electric's Invoice Obligations Through the Use of the Member Investment Program**

### **A. Purpose**

This paying agent function will provide to Class A, C or D members an additional option when receiving payment for a Basin Electric obligation. In lieu of receiving a check from Basin Electric in payment of the invoice, the member has the option of investing this invoice amount in the Member Investment Program. This statement establishes procedures and policies for Basin Electric to pay invoice obligations through the use of the Member Investment Program.

### **B. Policy**

1. To provide an additional service to Class A, C or D members, Basin Electric will, at the member's option, meet member invoice obligations through the Member Investment Program. Members who have submitted an invoice to Basin Electric may obtain a member investment for the invoice amount rather than receive direct invoice payment from Basin Electric.
2. Authorization must be received from the member to perform this service.
3. The investment date is the date that Basin Electric will pay the invoice obligation. This transaction must comply with the established terms and conditions of the Member Investment Program.
4. If the Basin Electric invoice obligation is below \$25,000, the member must invest additional funds so that the total investment amount meets the \$25,000 minimum requirement.

### **C. Procedures**

1. Basin Electric will:
  - a. Contact the member prior to invoice payment date and offer payment service through the Member Investment Program.
  - b. Provide to the member the invoice detail, the total invoice payment amount and the payment date.
  - c. Submit a Confirmation Statement to the member acknowledging the completion of the transaction and the status of proceeds invested in the Member Investment Program.
2. Members desiring to use the Member Investment Program for receipt of Basin Electric payment obligations should:
  - a. Upon notification from Basin Electric, authorize the payment transaction.
  - b. Determine the maturity date of the investment.
  - c. Determine the investment amount if the Basin Electric obligation is below \$25,000. Additional funds must be submitted to Basin Electric to meet the \$25,000 minimum investment requirement as established in the Terms and Conditions.