

**§1981. Accounting for earnings or losses**

**1. Internal accounts.** Any employee cooperative may establish in its articles of incorporation or bylaws a system of internal capital accounts to reflect the book value and to determine the redemption price of membership shares, capital stock and written notices of allocation.  
[PL 1983, c. 136 (NEW).]

**2. Redemption.** The articles of incorporation or bylaws of an employee cooperative may permit the periodic redemption of written notices of allocation and capital stock, and must provide for recall and redemption of the membership share upon termination of membership in the cooperative. No redemption may be made if such redemption would result in the liability of any director or officer of the employee cooperative under Title 13-C.  
[RR 2001, c. 2, Pt. B, §32 (COR); RR 2001, c. 2, Pt. B, §58 (AFF).]

**3. Interest.** The articles of incorporation or bylaws may provide for the employee cooperative to pay or credit interest on the balance in each member's internal capital account.  
[PL 1983, c. 136 (NEW).]

**4. Collective reserve account.** The articles of incorporation or bylaws may authorize assignment of a portion of retained net earnings and net losses to a collective reserve account. For purposes of this chapter, a collective reserve account means an unindividuated account on the corporate books representing the corporation's entire net book value minus balances in any other equity accounts. Earnings assigned to the collective reserve account may be used for any and all corporate purposes as determined by the board of directors.  
[PL 1983, c. 136 (NEW).]

**SECTION HISTORY**

PL 1983, c. 136 (NEW). RR 2001, c. 2, §B32 (COR). RR 2001, c. 2, §B58 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the First Special Session of the 132nd Maine Legislature and is current through October 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.