**§1501. Definitions**

In this subchapter, unless the subject matter requires otherwise:

**1. Association.**  "Association" means a group enterprise legally incorporated under this subchapter and shall be deemed to be a nonprofit corporation.

**2. Cooperative basis.**  "Cooperative basis" as applied to any incorporated or unincorporated group referred to in subsequent sections of this subchapter means:

A. That each member has one vote and only one vote, except as may be altered in the articles or bylaws by provisions for voting by member organizations;

B. That the maximum rate at which any return is paid on share or membership capital is limited to not more than 6%; and

C. That the net savings after payment, if any, of said limited return on capital and after making provision for such separate funds as may be required or specifically permitted by statute, articles or bylaws shall be allocated or distributed to member patrons, or to all patrons, in proportion to their patronage; or retained by the enterprise for the actual or potential expansion of its services or the reductions of its charges to the patrons, or for other purposes not inconsistent with its nonprofit character.

**3. Member.**  "Member" means not only a member in a nonshare association but also a member in a share association.

**4. Net savings.**  "Net savings" means the total income of an association minus the costs of operation.

**5. Savings returns.**  "Savings returns" means the amount returned to the patrons in proportion to their patronage or otherwise in accordance with this subchapter.

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 Second Regular Session of the 131st Legislature and is current through October 15, 2024
 . 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.