51A.32 EARNINGS.

Subdivision 1. **Mutual association.** A mutual association may pay earnings on its savings accounts from sources available for payment of earnings at such rate and at such times and for such time or notice periods as shall be determined by resolution of its board of directors. All deposit account holders shall participate equally in earnings pro rata to the withdrawal value of their respective accounts, except that an association may classify its deposit accounts according to the character, amount, or duration thereof, or regularity of additions thereto, and may agree in advance to pay an additional or different rate of earnings not to exceed one percent over and above the rate of earnings paid on all deposit accounts on accounts based on such classification, and shall regulate such earnings in such manner that each deposit account in the same classification shall receive the same ratable portion of such additional earnings, except for accounts which shall be classified according to a specified contractual time or notice period. Earnings shall be declared on the withdrawal value of each deposit account at the beginning of the accounting period, plus additions thereto made during the period (less amounts previously withdrawn and noticed for withdrawal, which for earnings purposes shall be deducted from the latest previous additions thereto) computed at the declared rate for the time the funds have been invested, determined as next provided. The date of investment shall be the date of actual receipt by the association of an account or an addition to an account, except that if the board of directors shall so determine, accounts in one or more classifications or additions thereto received by the association on or before a date not later than the 20th day of the month in which such payments were received; if the board shall make such determination, it also shall determine that payments received subsequent to such determination date shall either (1) receive earnings as if invested on the first day of the next succeeding month, or (2) receive earnings from the date of actual receipt by the association. Unless the commissioner shall issue approval in writing, no earnings shall be declared or paid for an accounting period unless the allocation to the general reserve for the preceding accounting period required by section 51A.20 or approved by the commissioner thereunder has been made. Notwithstanding the provisions of the second sentence of this section, the board of directors, by resolution, may determine that earnings shall not be paid on any deposit account which has a withdrawal value of a specified amount less than $50 or which by written agreement is intended to be closed within a specified period less than 15 months from the date on which the account is opened, provided that an exception may be made and earnings paid on deposit accounts opened pursuant to section 51A.24. The directors shall determine by resolution the method of calculating the amount of any earnings on savings accounts as herein provided, and the time or times when earnings are to be declared, paid, or credited.

Subd. 2. **Capital stock associations.** A capital stock association may pay interest, if any, on its savings accounts in accordance with the terms of the account contract.

History: *1969 c 490 s 32; 1986 c 444; 1988 c 666 s 48; 1996 c 414 art 1 s 44; 1997 c 157 s 67; 1998 c 260 s 1*