# Surplus Sharing

## What and why

- After the end of every fiscal year, NFE shall do the following:
- Determine available surpluses for each project for reallocation.
- Allocate some or all surpluses to members, following the procedures described under “How Surplus Is distributed”.

If, instead of surpluses, there are losses, the losses will be allocated in any manner that the Board determines to be fair and equitable, in consideration of the circumstances leading to the loss.

## How Surplus is Distributed

- Books are balanced for each project under NFE as well as NFE itself.
- NFE will propose to the board on how to invest the surplus in any of 3 ways in order of priority
  - Every project will first pay back the principal contribution from all it's funders.
  - The project will then consider how much to reinvest back in the project expansion
  - Remaining surplus per project is distributed to it's members equally (workers) or proportionally to contributions for funders and customers.

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Revision #3
Created 2025-06-09 22:15:59 UTC by aaron.tushabe
Updated 2025-06-16 23:10:58 UTC by aaron.tushabe