

cash dividend or dividends shall have been declared, by which a sum equal to ten per cent. per annum on the paid in capital stock from the commencement of the business of the corporation shall have become payable to the stockholders as aforesaid, the Board of Directors shall ascertain the amount of balance of interest and profits which will remain on hand after paying the dividend or dividends so declared, and shall pay in cash such part of such balance, not less than one-fifth to the stockholders of said Company, in proportion to the amount of stock held by each, as the Board of Directors for the time being may deem expedient. For the remaining balance of profits they shall issue certificates not exceeding sixty per cent. to such persons as shall within the preceding fiscal year have held a participating policy or policies issued by said corporation, and which shall then have expired, in proportion to the amount of premium paid by each; provided, that no loss has occurred under such policy or policies; all the certificates issued shall bear such an interest payable annually as the business of each succeeding year will warrant, not exceeding six per cent. per annum, and be redeemed as hereinafter provided for; no certificate shall be issued for a less sum than five dollars, and each certificate which shall be issued for a larger sum shall only be for an exact multiple of five dollars; all fractional parts of five dollars which would have otherwise been included in the sum for which such certificates would have been issued, shall be passed to the credit of said corporation; such certificates shall only be transferable on the books of the Company under regulations to be prescribed by the by-laws, and shall declare a provision declaring the same subject to be reduced by the Board of Directors to meet losses or expenses of any subsequent year; and whenever it shall be necessary to reduce the scrip of said Company to pay losses or expenses, the scrip originally granted to the insured shall be first reduced and exhausted before recourse shall be had to the scrip granted to the stockholders of the Company.

Balance of profits.

Reduce scrip.

Debtors.

Sec. 15. *And be it enacted*, That in case any person or persons entitled to a certificate shall be indebted to the said corporation for a premium or premiums of insurance, the Board of Directors may