

the association of such business at such valuation shall be equivalent to payment in cash for the shares of stock so issued. In any such transaction, the directors of the purchasing association are authorized to hold the shares in trust for the vendor and to dispose of the same to such persons and within such time as may be mutually satisfactory to the parties in interest, and to pay the proceeds thereof as currently received to the vendor.

An. Code, 1924, sec. 437. 1922, ch. 197, sec. 487.

449. Certificates of stock shall not be issued to any subscriber until fully paid. In an association organized without capital stock, no certificate of membership shall be issued to any person until such person has paid in full the membership fee.

An. Code, 1924, sec. 438. 1922, ch. 197, sec. 488.

450. At any regular or special meeting legally called, a written vote received by mail from any absent member, and signed by him may be read in such meeting and shall be equivalent to a vote of the member so signing; provided, that he has been previously notified in writing of the exact motion or resolution upon which such vote is taken; and a copy of the same is forwarded with the same and attached to the vote so mailed by him. Such vote by mail however, shall not be counted in computing a quorum.

An. Code, 1924, sec. 439. 1922, ch. 197, sec. 489.

451. Any association organized under this sub-title shall state in its by-laws the number or percentage of the members necessary in order to constitute a quorum.

An. Code, 1924, sec. 440. 1922, ch. 197, sec. 490.

452. (a) The directors in any association organized with capital stock shall annually apportion the next profits, if any, by first setting aside at least ten per cent. thereof for a reserve fund, until such a fund equals thirty per cent of the paid-up common stock, and, thereafter the directors may set aside such an amount for a reserve fund as they see fit or may set aside none, in their discretion. The directors may then set aside out of the net profits such sums as they deem desirable for capital expenditure, subject to the approval of the stockholders as provided in sub-section (b) of this section. The directors shall then declare a dividend upon the paid-up capital stock at a rate per annum not to exceed eight per cent; provided that no such dividend upon common stock shall be cumulative. The directors may then set aside not to exceed five per cent. of the remaining net profits as an educational fund to be used in teaching cooperation. The directors may then grant a bonus to employees who are in the employ of the association at the time of the apportionment of profits, which bonus shall be based in amount upon the amount of compensation received by said employees during the year at a rate not to exceed the rate of patronage dividends hereinafter described. The directors shall distribute all remaining net profits by uniform dividend to members of the association, based in amount upon the volume of business conducted by such members with the association; provided, that the association may distribute to patrons of the association who are not members, bonuses based in amount upon the volume of business transacted by such non-members respectively with the association at a rate not to exceed the rate of patronage dividend herein referred to; provided