

(\$100.00) or less, or for the sum of one hundred dollars (\$100.00) in any case where the loan is in excess of said amount.

An endorsed note, or a note not to exceed three hundred dollars (\$300.00) secured by a duly recorded lien upon unencumbered real or leasehold property, or the assignment of shares and deposits in the credit union, may be deemed security by the credit committee within the meaning of this sub-title. No member of the board of directors, credit committee or the supervisory committee shall directly or indirectly borrow from or become security for a loan or advance made by the corporation, in excess of the total of his shares and deposit, or in excess of the total of paid in shares and deposits held by him and his co-makers in said credit union, unless said loan shall have been approved at a regularly called meeting of the membership of the corporation by a majority vote of those present and represented at said meeting, and unless the call for the meeting contained notice of the fact that such loan would be discussed at said meeting.

All officers and members of committees in any way knowingly permitting or participating in making a loan of funds of a credit union to a non-member thereof shall be guilty of a misdemeanor. The credit union shall have the right to recover the amount of said illegal loans from the borrower or from any officer or member of committees who knowingly permitted or participated in the making thereof, or from them all jointly. The supervisory committee shall appoint a substitute to act on the credit committee in the place of any member, in case such member makes application to borrow money from the credit union or to become surety for any other member, whose application for a loan is under consideration. A borrower may repay the whole or any part of this loan on any day on which the office of the corporation is open for business.

145. The board of directors of a credit union may declare a dividend, not in excess of six per cent, from so much of its net profits at the close of any fiscal year as may be available after providing for expenses, interest and taxes accrued. Provided, however, that no dividend shall be declared until the amount of net earnings shall have been transferred to the Reserve Fund, as required by this Article. Any losses sustained may be charged against the Reserve Fund, Surplus or Undivided Earnings, and no dividends shall be declared if the known losses existing at the close of any fiscal year exceed the balance of the Reserve Fund, Surplus or Undivided Earnings after the payment of said dividend. Dividends shall be paid in the way and manner provided in the by-laws.