

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 further that any such bonus to a non-stockholder may be declared in the form of capital stock, until the amount of such dividends equals the par value of one share of the association's stock, dividends thereafter to such patron being paid in the same manner as dividends to all stockholders; provided further that such a bonus to a non-stockholder, if it is less than the par value of one share, shall be credited to the non-stockholders' capital stock account during the first year and the second year but shall revert to the reserve fund, if, after two years, an amount less than the par value of one share has accumulated.

(b.) The stockholders at any regular or special meeting, called legally, may instruct the directors as to what method of apportionment of net profits to follow under the provision of this section, in so far as these provisions confer discretion upon the directors.

(c.) The directors of any association organized without capital stock under this Act shall provide annually for the distribution of the net profits, if any, as follows:

(d.) After the expenses of the association have been paid and a proper reserve has been set aside to cover depreciation of the property of the association and for contingent expenses, and to establish a reasonable reserve, the directors subject to the approval of the members, as provided in sub section (e) of this section, may set aside such sums as they deem desir-