

In the case of *Catterlin vs. State*, 16 O. L. Abs. 410, decided by the Court of Appeals of the Second District, it was held that where holders of certificates of a corporation organized not for profit might become entitled to share in the earnings of the corporation, such certificates are not exempt by virtue of Section 8624-3(8), General Code, although on their face they do not require nor contemplate earnings. Cooperative trade associations under no circumstances can anticipate earnings for the purpose of distributing same to their members. Any "profits" of such association necessarily arise by reason of the impossibility of determining in advance the exact cost and expense of purchasing, holding and distributing merchandise to members. Such "profits" must be returned to the members in proportion to their respective purchases. Consequently, there can be no earnings of a cooperative trade association to which a member of such corporation might become entitled to share.

In view of the reasoning of the court in *Catterlin vs. State*, supra, it is my opinion that a membership card issued by a cooperative trade association organized under Sections 10185, and 10186, General Code, is exempt under the provisions of Section 8624-3(8), General Code.

Respectfully,

HERBERT S. DUFFY, .

Attorney General.

2599.

APPROVAL—BONDS, CITY OF COLUMBUS, FRANKLIN COUNTY, OHIO, \$2,000.00, PART OF ISSUE DATED DECEMBER 15, 1933.

COLUMBUS, OHIO, June 15, 1938.

The Industrial Commission of Ohio, Columbus, Ohio.

GENTLEMEN :

RE: Bonds of City of Columbus, Franklin County,
Ohio, \$2,000.00.

I have examined the transcript of proceedings relative to the above bonds purchased by you. These bonds comprise part of an issue of sewage treatment works bonds in the aggregate amount of \$2,720,000, dated December 15, 1933, bearing interest at the rate of 3% per annum.

From this examination, in the light of the law under authority of which these bonds have been authorized, I am of the opinion that bonds issued under these proceedings constitute valid and legal obligations of said city.

Respectfully,

HERBERT S. DUFFY,
Attorney General.

2600.

APPROVAL—BONDS, WESTERN RURAL SCHOOL DISTRICT,
MEIGS COUNTY, OHIO, \$4,800.00, DATED NOVEMBER 15,
1937.

COLUMBUS, OHIO, June 15, 1938.

The Industrial Commission of Ohio, Columbus, Ohio.

GENTLEMEN:

RE: Bonds of Western Rural School District, Meigs
County, Ohio, \$4,800.00.

I have examined the transcript of proceedings relative to the above bonds purchased by you. These bonds comprise all of an issue of deficiency bonds dated November 15, 1937, bearing interest at the rate of $4\frac{1}{2}\%$ per annum.

From this examination, in the light of the law under authority of which these bonds have been authorized, I am of the opinion that bonds issued under these proceedings constitute valid and legal obligations of said school district.

Respectfully,

HERBERT S. DUFFY,
Attorney General.