

Name: _____

PATRONAGE

If a cooperative is profitable at the end of the year, member-owners are allocated a portion of that profit in the form of patronage based in proportion to the volume of business they do with the cooperative.

MATCH

Match the words with the definition by writing the letter for the correct definition on the line.

- | | |
|----------------------------------|--|
| 1. _____ Bushels | A) A customer or member-owner of a business |
| 2. _____ Cooperative | B) A patronage dividend that is allocated as a cash payment and is taxable income |
| 3. _____ Patron | C) A patronage dividend that is allocated as equity and is tax-deferred |
| 4. _____ Patronage | D) The amount or quantity of something |
| 5. _____ Non-qualified Patronage | E) An organization which is owned and run jointly by its members, who share the profits or benefits |
| 6. _____ Qualified Patronage | F) A measure of capacity used for dry goods |
| 7. _____ Volume | G) The distribution of net returns to members based on their use of the co-op at the discretion of the board |

VOCABULARY

Read each sentence below. Fill-in the blank using the vocabulary words above.

10. Antonie received _____ from his cooperative as a cash payment at the end of the fiscal year for the business he did with them.
11. A business that is owned by its member owners and make decisions based on the members' needs is considered a _____.
12. The amount of grain _____ that Frank delivered to the co-op helped determine the amount of patronage he earned that year.

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11. A business that is owned by its member owners and make decisions based on the members' needs is considered a **cooperative** .
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