Solution:

(1)

The dividends declared are given by:

$$Dividends\ Declared = \$0.36\ \times 11{,}233{,}280 = \$4\ million$$

The journal entries are as follows:

JOURNAL ENTRIES FOR FINANCIAL PAYMENTS (in millions of $) Name: Tompkins Financial Co.			
Date	Particulars	Debit	Credit
25 April, 2012	Dividends Expense To Dividends Payable (Being declaration of dividends approved by Board)	4	 4
15 May, 2012	Dividends Payable To Cash (Being payment of dividends)	4	 4

(2)

The dividends declared are given by:

$$Dividends\ Declared = \$0.3091\ \times 9{,}785{,}265 = \$3\ million$$

Apart from this cash dividends, the board also declared a stock dividend to be paid to the employees.

The total stock to be given is $0.1\ \times 9{,}785{,}265 = 978{,}526.5$ stocks, which translates to roughly $978{,}526$ stocks and cash equivalent of 0.5 stocks.

The market value is given to be $36.93 at the time of issue, which means that the total valuation of the stock that is added will be

$$Total\ valuation = \$36.93\ \times 978{,}526.5 = \$36.14\ million$$

Out of which the stock valuation will be:

$$Stock\ valuation\ added = \$0.1\ \times 978{,}526 = \$97{,}852.6 = \$0.097\ million$$

And the cash that is to be

$$Cash\ paid\ for\ fraction\ stock = \$36.93\ \times 0.5 = \$18.47$$

Thus, the journal entry for the Tompkins stock dividends are as follows:

JOURNAL ENTRIES FOR FINANCIAL PAYMENTS (in millions of $) Name: Tompkins Financial Co.			
Date	Particulars	Debit	Credit
27 January, 2010	Dividends Expense To Dividends Payable (Being declaration of dividends approved by Board)	3	 3
25 February, 2010	Dividends Payable To Cash (Being payment of dividends)	3	 3
25 February, 2010	Retained Earnings To Common Stock To Additional Paid-in Capital (Being declaration of 10% stock dividends to shareholders, at $36.93 per share and 978,526 stocks)	36.14	 0.10 36.04

(3)

Let's create a detailed transactional analysis of the stocks that the investor would have.

In 1994, he had 100 stocks.

In 1995, there was 10% stock dividend declared, meaning that the investor has now $1.1 \times 100 = 110$ stocks.

In 1998, there was a 3 for 2 splits, which means the investor got 3 stocks for each 2 he possessed. This means that the total stocks he has now is $\frac{3}{2} \times 110 = 165$.

In 2003, there was again a 10% stock dividend, meaning that the investor has got $1.1 \times 165 = 181$ stocks (since 0.5 is given by company as cash).

In 2005, there was again a 10% stock dividend, meaning that the investor has got $1.1 \times 181 = 199$ stocks (since 0.1 is given by company as cash).

In 2006, there was again a 10% stock dividend, meaning that the investor has got $1.1 \times 199 = 218$ stocks (since 0.9 is given by company as cash).

In 2010, there was again a 10% stock dividend, meaning that the investor has got $1.1 \times 218 = 239$ stocks (since 0.8 is given by company as cash).

Thus, in 2012, he has 239 stocks.