

has been approved by the Commissioner. Such plan shall be prepared in writing setting forth in full the terms and conditions thereof. The board of directors shall submit the plan to the supreme legislative or governing body of such society at any regular or special meeting thereof, by giving a full, true and complete copy of the plan with the notice of such meeting. The notice shall be given as provided in the laws of the society for the convocation of a regular or special meeting of such body, as the case may be. The affirmative vote of two-thirds of all members of such body shall be necessary for the approval of the agreement. No such conversion shall take effect unless and until approved by the Commissioner, who may give such approval if he finds that the proposed change is in conformity with the requirements of law and not prejudicial to the certificate holders of the society.

**351. Injunction—Liquidation—Receivership of Domestic Society.**

(a) When the Commissioner upon investigation finds that a domestic society:

- (1) Has exceeded its powers;
- (2) Has failed to comply with any provision of this subtitle;
- (3) Is not fulfilling its contracts in good faith;

(4) Has a membership of less than four hundred (400) after an existence of one year or more; or

(5) Is conducting business fraudulently or in a manner hazardous to its members, creditors, the public or the business; he shall notify the society of his findings, state in writing the reasons for his dissatisfaction, and require the society to show cause on a date named why it should not be enjoined from carrying on any business until the violation complained of shall have been corrected, or why an action in quo warranto should not be commenced against the society.

(b) If on such date the society, does not present good and sufficient reasons why it should not be so enjoined or why such action should not be commenced, the Commissioner may present the facts relating thereto to the Attorney General who shall, if he deems the circumstances warrant, commence an action to enjoin the society from transacting business or in quo warranto. The court shall thereupon notify the officers of the society of a hearing. If after a full hearing it appears that the society should be so enjoined or liquidated or a receiver appointed, the court shall enter the necessary order.

(c) No society so enjoined shall have the authority to do business until:

(1) The Commissioner finds that the violation complained of has been corrected;

(2) The costs of such action have been paid by the society if the court finds that the society was in default as charged;

(3) The court has dissolved its injunction; and

(4) The Commissioner has reinstated the society's license.

(d) If the court orders the society liquidated, it shall be enjoined from carrying on any further business, whereupon the receiver of the society shall proceed at once to take possession of the books, papers,