

THEREOF, SHALL LIQUIDATE THE ASSETS OF THE COOPERATIVE AND DISTRIBUTE THE ASSETS IN THE MANNER SET FORTH IN THIS SECTION.

(C) A SUIT FOR INVOLUNTARY DISSOLUTION OF THE COOPERATIVE ORGANIZED UNDER THIS SUBTITLE MAY BE INSTITUTED FOR THE CAUSES AND PROSECUTED IN THE MANNER SET FORTH IN THE GENERAL CORPORATE LAW OF MARYLAND. ASSETS SHALL BE DISTRIBUTED IN A MANNER SET FORTH IN THIS SUBTITLE.

(D) WHEN A COOPERATIVE IS DISSOLVED, ITS ASSETS SHALL BE DISTRIBUTED IN THE FOLLOWING MANNER AND ORDER:

(1) BY PAYING ITS DEBTS AND EXPENSES;

(2) BY RETURNING TO THE MEMBERS THE PAR-VALUE LESSOR OF PAR VALUE OR BOOK VALUE OF THEIR SHARES, THEIR MEMBERSHIP CAPITAL, OR ALLOCATED EQUITY;

(3) BY RETURNING TO THE SUBSCRIBERS THE LESSOR OF PAR VALUE OR BOOK VALUE OF AMOUNTS PAID ON THEIR SUBSCRIPTIONS;

(4) BY RETURNING TO ELIGIBLE PATRONS THE LESSOR OF PAR VALUE OR BOOK VALUE OF THE AMOUNT OF NET SAVINGS CREDITED TO THEIR ACCOUNTS TOWARD THE PURCHASE OF SHARES OR MEMBERSHIP; AND

(5) BY DISTRIBUTING ANY SURPLUS AS A GIFT TO ANOTHER COOPERATIVE OR TO A NO TAX EXEMPT ENTERPRISE.

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(A) (1) A COOPERATIVE MAY DIVIDE ITSELF INTO 2 OR MORE COOPERATIVES UNDER THIS SUBTITLE.

(2) A WRITTEN PLAN OF DIVISION SHALL BE PREPARED BY THE BOARD OR BY A COMMITTEE SELECTED BY THE BOARD FOR THAT PURPOSE.

(3) THE PLAN SHALL SET FORTH ALL THE TERMS OF THE DIVISION AND ITS PROPOSED EFFECT ON ALL MEMBERS AND STOCK HOLDERS OF THE COOPERATIVE.

(4) THE PLAN SHALL CONTAIN THE ARTICLES OF INCORPORATION OF EACH NEW COOPERATIVE BEING FORMED AND ANY AMENDMENTS TO THE ARTICLES OF INCORPORATION OF THE REMAINING COOPERATIVE.

(B) THE MEMBERS AND STOCKHOLDERS ENTITLED TO VOTE SHALL APPROVE THE PLAN IN THE MANNER PROVIDED FOR AMENDMENTS TO THE ARTICLES OF INCORPORATION. THIS PROVISION IS RESERVED FOR THE MEMBERS AND MAY NOT BE THE PREROGATIVE OF THE DELEGATES.

(C) (1) ARTICLES OF DIVISION SHALL SET FORTH THE APPROVED PLAN AND SHALL BE FILED AND RECORDED AS AN AMENDMENT TO THE ARTICLES OF INCORPORATION.