§ 7710. Plan of operation. (a) (1) The corporation shall submit to the superintendent a plan of operation and any amendments thereto necessary or suitable to assure the fair, reasonable and equitable administration of the corporation. The plan of operation and any amendments thereto shall become effective upon approval in writing by the superintendent.

(2) If the corporation fails to submit a suitable plan of operation within one hundred eighty days following the effective date of this article or if at any time thereafter the corporation fails to submit suitable amendments to the plan, the superintendent shall, after notice and hearing, adopt and promulgate such reasonable rules as are necessary or advisable to effectuate the provisions of this article. Such rules shall continue in force until modified by the superintendent or superseded by a plan submitted by the corporation and approved by the superintendent.

(b) All member insurers shall comply with the plan of operation.

(c) The plan of operation shall constitute the bylaws of the corporation and shall, in addition to requirements enumerated elsewhere in this article:

(1) Establish procedures for handling the assets of the corporation.

(2) Establish the amount and method of reimbursing members of the board of directors under section seven thousand seven hundred seven of this article.

(3) Establish regular places and times for meetings of the board of directors.

(4) Establish procedures for records to be kept of all financial transactions of the corporation, its agents and the board of directors.

(5) Establish the procedures whereby selections for the board of directors will be made and submitted to the superintendent.

(6) Establish any additional procedures for assessments under section seven thousand seven hundred nine of this article.

(7) Contain such additional provisions as the superintendent or corporation may deem necessary or proper for the execution of the powers and duties of the corporation.

(d) The plan of operation may provide that any or all powers and duties of the corporation, except those under sections seven thousand seven hundred eight and seven thousand seven hundred nine of this article, are delegated to a corporation, association or other

organization which performs or will perform functions similar to those of the corporation, or its equivalent, in two or more states. Such a corporation, association or organization shall be reimbursed for any payments made on behalf of the corporation and shall be paid for its performance of any function of the corporation. A delegation under this subsection shall take effect only with the approval of both the board of directors and the superintendent, and may be made only to a corporation, association or organization which extends protection not substantially less favorable and effective than that provided by this article.