§ 1310. Impairment of a stock insurer. (a) Whenever the superintendent finds from a financial statement, or a report on examination, of any domestic stock insurer that (i) the admitted assets are less than the aggregate amount of its liabilities and outstanding capital stock or (ii) the admitted assets of any such insurer which is required to maintain a minimum surplus to policyholders are less than the aggregate amount of its liabilities and the amount of its minimum surplus to policyholders, he shall determine the amount of the impairment and order the insurer to eliminate the impairment within such period as he designates, not more than ninety days from the service of the order. He may also order the insurer not to issue any new policies while the impairment exists. If the impairment as determined by the provisions of item (i) hereof equals or exceeds twenty-five percent of the insurer's outstanding capital stock, or as determined by the provisions of item (i) or (ii) hereof is such that the insurer does not have the minimum capital or minimum surplus to policyholders required by this chapter, and if at the expiration of such designated period, such insurer has not satisfied the superintendent that such impairment has been eliminated, the superintendent may proceed against the insurer pursuant to the provisions of article seventy-four of this chapter on the ground that its condition is such that its further transaction of business will be hazardous to its policyholders or its creditors or the public.

(b) If any foreign stock insurer authorized to do business in this state is found to be impaired, the superintendent may, after notice and hearing, order such insurer not to issue during such time as he prescribes any new policies in this state, and may, after notice and hearing, revoke its license to transact business in this state.