§ 1413. Investments of foreign and alien insurers. (a) The superintendent may refuse a new or renewal license to any foreign insurer, if he finds that its investments do not comply in substance with the investment requirements and limitations imposed by this chapter upon like domestic insurers hereafter organized to do the same kind or kinds of insurance business. For the purposes of this subsection, except for derivative transactions authorized pursuant to section one thousand four hundred ten of this article, a foreign insurer's investments shall be deemed to comply in substance with such requirements and limitations if, after disallowing as admitted assets in whole or in part any investments not in compliance therewith, the superintendent finds that such foreign insurer's adjusted surplus to policyholders is not less than an amount which is reasonable in relation to its outstanding liabilities and adequate to its financial needs, and at least equal to the minimum surplus to policyholders required on organization of a domestic insurer to do the same kind or kinds of insurance business. The superintendent may recognize like securities of a foreign insurer's home state as minimum capital or minimum surplus to policyholder investments in lieu of the securities specified in paragraphs two and four of subsection (b) of section one thousand four hundred two of this article. Foreign insurers engaging in derivative transactions pursuant to section one thousand four hundred ten of this article shall comply with subsection (k) of such section for the purposes of substantial compliance.

(b) No alien insurer shall be authorized to do business in this state unless its general state deposits and its trusteed assets comply with the requirements and limitations of this chapter applicable to like foreign insurers hereafter licensed to do the same kind or kinds of insurance business, except that foreign investments shall be allowed to the following extent only:

(1) Obligations issued or guaranteed by the government of the country in which the alien insurer was organized or by any province or other major political subdivision thereof and not in default as to principal or interest, may be recognized as reserve investments under section one thousand four hundred four of this article (in the case of insurers making investments under section one thousand four hundred four of this article) or as investments under section one thousand four hundred five

(in the case of insurers making investments under section one thousand four hundred five of this article) in an amount not exceeding the statutory deposit required by the provisions of section one thousand three hundred twenty of this chapter.

(2) Except as provided in paragraph one hereof, for an alien non-life insurer foreign investments that qualify as a reserve investment pursuant to the provisions of paragraph six of subsection (a) of section one thousand four hundred four of this article may be included in such alien insurer's trusteed assets in an aggregate amount not exceeding ten percent of the admitted assets of such insurer's United States branch as shown by its last statement on file with the superintendent, or, for an alien life insurer, foreign investments that qualify pursuant to the provisions of paragraph seven of subsection (a) of section one thousand four hundred five of this article may be included in such alien insurer's trusteed assets in an aggregate amount not exceeding the applicable quantitative limitations, as set forth in such paragraph seven.

(c) The superintendent may refuse a new or renewal license to any foreign or alien insurer which holds a direct or indirect ownership interest in a risk retention group, as defined in article fifty-nine of this chapter, other than in a risk retention group all of whose members are insurance companies.

(d) This section shall not relieve any foreign or alien insurer from compliance with any other provision of this chapter.