§ 1605. When corporation is deemed a subsidiary. (a) For the purposes of this article:

(1) any corporation a majority of whose outstanding voting shares is owned or controlled by another corporation shall be deemed the latter's subsidiary, and

(2) any corporation whose voting shares are held by a domestic insurance company pursuant to section one thousand six hundred two, one thousand six hundred three or one thousand six hundred four of this article shall be deemed the subsidiary of the insurer, provided that for purposes of section one thousand six hundred six of this article, a corporation shall be deemed the insurer's subsidiary only so long as the insurer owns a majority of the total voting shares or retains direct or indirect control of such subsidiary.

(b) For purposes of this article "voting shares" means shares of any class having voting power for the election of the corporation's directors except shares having such power only by reason of the happening of a contingency.