§ 1610. Authority to conduct certain business directly instead of through subsidiary. (a) A domestic insurance company subject to this article may, provided that it maintains books and records which separately account for such business, engage directly in any business referred to in paragraphs one, two and three of this subsection to the extent any such business is necessarily or properly incidental to the insurance business the insurer is authorized to do in this state:

(1) rendering investment advice;

(2) rendering services related to the functions involved in the operation of an insurance business including actuarial, loss prevention, safety engineering, data processing, accounting, claims, appraisals, collections and soliciting and engaging in the business of representing self-insurers pursuant to section fifty of the workers' compensation law; and

(3) acting as administrative agent for a government instrumentality which is performing an insurance function or is responsible for a health or welfare program.

(b) A domestic insurance company subject to this article may, provided that it maintains books and records which separately account for such business, engage directly in any other business activity reasonably ancillary to an insurance business to the extent any such business is approved by the superintendent and subject to any limitations he may prescribe to protect the interests of the policyholders of the insurer after taking into account:

(1) the effect of such business on the insurer's existing insurance business and its surplus,

(2) the proposed allocation of the estimated cost of such business,

(3) the risks inherent in such business, and

(4) the relative advantages to the insurer and its policyholders of conducting such business directly instead of through a subsidiary.