*** § 4113. Mutual companies; non-assessable policies.** (a) Every mutual property/casualty insurance company licensed to do business in this state, if its charter or by-laws permit or are amended to permit the issuance of policies without contingent mutual liability of the policyholder for assessment, may with the permission of the superintendent issue non-assessable policies in this state upon compliance with the following requirements:

(1) It shall maintain a surplus, as determined from its latest filed statement, which together with its unearned premium reserve from its latest filed statement is at least equal to the surplus to policyholders required to be maintained by a domestic stock property/casualty insurance company licensed to write the same kind or kinds of insurance.

(2) It shall have submitted a copy of its proposed non-assessable policy or policies for approval of the superintendent, and shall have obtained his approval.

(b) Every policy issued by any such company shall clearly state whether or not the holder of the policy is subject to a liability for assessment.

(c) Any surplus required for the purposes specified in this section shall be inclusive of any surplus required by any other sections of this chapter.

(d) A mutual property/casualty insurance company subject to paragraph two of subsection (a) of section four thousand one hundred seven of this article and subject to subsection (d) of section four thousand one hundred eleven of this article may with the prior approval of the superintendent amend its charter and by-laws to permit the issuance of policies without contingent mutual liability of the policyholder and may with the permission of the superintendent issue non-assessable policies in this state upon compliance with the requirements of this section.

(e) The financial requirement specified in paragraph one of subsection (a) hereof shall be reduced by fifty percent for a mutual property/casualty insurance company initially licensed to do business in this state prior to July first, nineteen hundred eighty-two.

* SPECIAL NOTE.--Notwithstanding that Chapter 585 of the Laws of 1984:

Bill sections 2, 3, 5, 6, 7, and 9 of such chapter amend provisions of the former Insurance Law that are not possible to juxtapose at this time

due to the highly technical nature of such changes and will need future corrective legislation to implement such provisions into the new Insurance Law as enacted by such Chapter 367 of the Laws of 1984.