§ 6402. Organization; financial requirements. A title insurance corporation may be organized and licensed in the manner prescribed in subsection (e) of section one thousand one hundred two and section one thousand two hundred one of this chapter, except as hereinafter prescribed, to do the kind of insurance business, and with the incidental powers, specified in section six thousand four hundred three of this article, with a paid-in capital of at least five hundred thousand dollars and a paid-in initial surplus at least equal to fifty percent of its paid-in capital, and it shall at all times thereafter maintain a capital at least equal to five hundred thousand dollars, except that any such corporation organized before July first, nineteen hundred eighty-two, shall at all times maintain a minimum capital of two hundred fifty thousand dollars. In the organization of any such corporation the provisions of section one thousand two hundred one of this chapter shall be superseded or supplemented by the following provisions:

(a) The duration of such corporation shall be perpetual.

(b) Its principal office shall be located in this state.

(c) The purposes for which such corporation shall be organized shall only be such as are specified in section six thousand four hundred three of this article.

(d) Its incorporators shall be natural persons, not less than seven in number, and shall possess the qualifications of directors prescribed in subsection (e) hereof.

(e) Its directors shall be natural persons, not less than seven in number, all citizens of the United States, a majority of whom shall be citizens and residents of this state at the time of their election and during their continuance in office.

(f) Before a license to do business shall be issued to such corporation a list of its shareholders shall be filed in the office of the superintendent, subscribed and affirmed as true under the penalties of perjury by two of its principal officers, giving the name, residence and post-office address of, and number of shares held by, each shareholder.

(g) No foreign or alien insurer shall be granted a license or renewal of a license to do in this state the kind of business specified in paragraph eighteen of subsection (a) of section one thousand one hundred

thirteen of this chapter if it may exercise any powers or conduct any business without this state not authorized by such paragraph, or unless its surplus to policyholders, of which not more than five percent of its admitted assets shall be represented by title plant or plants, is at the time of initial licensing not less than the sum of (i) the minimum capital and initial surplus required of a similar domestic insurer, and (ii) an amount by which reserves computed in accordance with paragraphs one and two of subsection (a) of section six thousand four hundred five of this article on business within and without the state exceed its reserves of a comparable nature, whether statutory or voluntary, and unless such insurer at all times thereafter maintains a surplus to policyholders, similarly limited as to value of title plant or plants, at least equal to the sum of such minimum capital and reserves determined as hereinabove set forth, or if it fails to meet any other requirements of this chapter applicable to a domestic title insurance corporation except that any such insurer initially licensed on or after July first, nineteen hundred eighty-two, shall have a surplus to policyholders at least equal to the sum of (i) minimum capital and initial surplus required of a like domestic insurer initially licensed on or after July first, nineteen hundred eighty-two, and (ii) reserves as hereinabove required; and shall maintain a surplus to policyholders at least equal to the sum of (i) the reserves hereinabove required and (ii) the minimum capital required of a domestic insurer initially licensed on or after July first, nineteen hundred eighty-two.