§ 6602. Classification of insurers; foreign and alien insurers. (a) Cooperative property/casualty insurance companies operating under or subject to this article shall be either advance premium co-operative property/casualty insurance companies or assessment co-operative property/casualty insurance companies.

(b) (1) "Advance premium corporation" means an advance premium co-operative property/casualty insurance company which charges premiums in advance on the basis of applicable provisions of article twenty-three of this chapter and which maintains unearned premium reserves as required by section one thousand three hundred five of this chapter and loss and loss expense reserves as required by section four thousand one hundred seventeen of this chapter.

(2) "Assessment corporation" means an assessment co-operative property/casualty insurance company which levies upon its members regular assessments, the amount of which is determined by giving due cognizance, along with other relative factors, either to the incurred liabilities of such insurer, or to its estimated liabilities likely to become incurred before the next regular assessment, or both, and which maintains unearned premium reserves as required by section one thousand three hundred five of this chapter and loss and loss expense reserves as required by section four thousand one hundred seventeen of this chapter.

(c) No insurer operating under or subject to the provisions of this article shall do a part of its business on the advance premium plan and another part on the assessment plan; but this shall not be construed to affect the contingent liability of members of advance premium corporations nor to affect the liability of members of assessment corporations for extraordinary assessments, as hereinafter provided.

(d) No foreign or alien insurer or insurance organization shall be licensed or permitted to do in this state any kind or kinds of insurance business specified in this article on the assessment plan, or on any mutual plan, other than as a mutual property/casualty insurance company or as a reciprocal insurer as elsewhere provided in this chapter.