§ 6704. Licensing of nonprofit property/casualty insurance companies. (a) No person, firm, corporation or association as an underwriter or underwriters, and no nonprofit property/casualty insurance company, shall do any insurance business in this state, unless authorized to do so pursuant to the provisions of this article.

(b) The superintendent may pursuant to this article issue a license to a nonprofit property/casualty insurance company that is organized as a charitable corporation as defined in paragraph (a) of section one hundred two (Definitions) of the not-for-profit corporation law if such company:

(1) complies with (A) the applicable requirements of section one thousand one hundred two of this chapter, and (B) the provisions of article forty-one of this chapter applicable to stock property/casualty insurance companies (other than sections four thousand one hundred three, four thousand one hundred five and four thousand one hundred nineteen) and, in each case, the rules and regulations of the superintendent promulgated pursuant thereto except insofar as such provisions of law, rules and regulations may be inconsistent with the provisions of this article, and

(2) has an initial surplus to policyholders at least equal to the amount of applicable paid-in capital and additional amount of paid-in surplus required by paragraph one of subsection (a) of section four thousand one hundred three of this chapter for a newly organized domestic stock property/casualty insurance company doing the same kind or kinds of insurance business.

Thereafter, every such nonprofit property/casualty insurance company shall maintain a surplus to policyholders at least equal to the amount of applicable paid-in capital required to be maintained by paragraph one of subsection (a) of section four thousand one hundred three of this chapter for a domestic stock property/casualty insurance company doing the same kind or kinds of insurance business.

(c) The superintendent may issue a license to a nonprofit property/casualty insurance company pursuant to this article that is a nonprofit reciprocal insurer organized pursuant to article sixty-one of this chapter if such company complies with the requirements of section one thousand one hundred two of this chapter and article sixty-one of

this chapter and, in each case, the rules and regulations of the superintendent promulgated pursuant thereto except insofar as such provisions of law, rules and regulations may be inconsistent with the provisions of this article and except that the provisions of subsection (a) of section six thousand one hundred four of this chapter shall not apply with respect to nonprofit organizations that are or seek to become subscribers of such a nonprofit property/casualty insurance company, provided that such a nonprofit property/casualty insurance company either (1) has an initial surplus to policyholders and thereafter maintains a surplus to policyholders in an amount acceptable to the superintendent which amount shall be substantially greater than the initial surplus to policyholders and surplus to policyholders to be maintained by a reciprocal insurer under article sixty-one of this chapter, or (2) submits a reinsurance or other financial plan, which adequately addresses the provisions of subsection (a) of section six thousand one hundred four of this chapter and which reinsurance or other financial plan is acceptable to the superintendent.

(d) Every license to engage in an insurance business issued by the superintendent to any nonprofit property/casualty insurance company pursuant to the provisions of this article shall specify the company's name, the location of its principal office, the name and principal address of its attorney-in-fact, if any, and the kind or kinds of insurance business specified in terms of subsection (a) of section one thousand one hundred thirteen of this chapter, which it is authorized to engage in in this state.