§ 7427. Offsets. (a) In all cases of mutual debts or mutual credits between the insurer and another person in connection with any action or proceeding under this article, such credits and debts shall be set off and the balance only shall be allowed or paid, except as provided in subsection (b) hereof.

(b) No offset shall be allowed in favor of any such person, however, where:

(1) the obligation of the insurer to such person would not at the date of the entry of any liquidation order, or otherwise, as provided in section seven thousand four hundred five of this article, entitle him to share as a claimant in the assets of such insurer, or

(2) the obligation of the insurer to such person was purchased by or transferred to such person with a view of its being used as an offset, or

(3) the obligation of such person is to pay an assessment levied against the members of a mutual insurer or to pay a balance upon a subscription to the shares of a stock insurance corporation.