

(10) "Policyholder claim" means a claim of a policyholder or assured within the coverage of the policy, arising out of a motor vehicle accident wherein such person suffered damage under the coverage of the policy or where such person has paid an injured party claim, subject to allowance of such policyholder claim in a proceeding under Sections 132 through 164A, inclusive, of this article.

(b)

(1) There is hereby created a fund to be known as "the motor vehicle liability security fund" for the purpose of securing the benefits under policies on account of claims, from motor vehicle accidents. Such fund shall be used in the payment of allowed claims of injured parties and policyholders under said insurance policies, remaining unpaid, in whole or in part, by reason of the insolvency or inability of the insurer to meet its insurance obligations subsequent to January 1, 1962, where the insurer has made payments to the fund as required by sub-section (c). No payment from the fund on such an allowed claim shall in any case be in excess of the limit of liability provided for in the insurance policy issued by such insurer.

(2) Such fund shall consist of all payments made to the fund by insurers and of securities acquired by and through the use of moneys belonging to the fund, together with interest and accretions earned upon such payments or investments. The fund shall be administered separately by the commissioner in accordance with the provisions of this section.

(c)

(1) Every insurer shall, on or before November 15, 1965, file with the State Comptroller and with the commissioner identical returns, under oath, on a form to be prescribed and furnished by the commissioner stating the amount of net direct written premiums charged during the months of July, August and September preceding, as defined in sub-section (a) (6) of this section. On or before February 15, 1966, and continuing consecutively thereafter, on or before the fifteenth day of May, August, November and February of each year, each such insurer shall file, quarterly, similar identical returns as to such premiums charged by such insurer during the quarter year ending on the last day of the second month preceding that in which the report is required to be filed.

(2) For the privilege of issuing policies insuring against legal liability arising out of the ownership, operation or maintenance of motor vehicles which are principally garaged in this state, and in addition to all other requirements of law, every insurer shall pay into the fund on or before November 15, 1965, $\frac{1}{4}$ of 1% of its net direct written premiums as shown by the return hereinbefore required for the three months ending September 30, 1965, and thereafter each such insurer during the three years immediately following November 15, 1965, upon filing each quarterly return as hereinbefore required, shall pay $\frac{1}{4}$ of 1% of its net direct written premiums as shown for the period covered by such return into the fund; and for such privilege, every foreign or alien insurer subject to the provisions of this section shall be deemed to have consented to the adjudication of all claims secured by this section in a proceeding under Sections 132 through 164A of this article, sub-title "Rehabilitation and Liquidation".