

October 3, 1968

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter # 9

TO ALL COMPANIES PAYING CONTRIBUTIONS TO THE MOTOR VEHICLE LIABILITY SECURITY FUNDS

Gentlemen:

Sections 330 and 333 of the Insurance Law provide a ceiling for the Stock and Mutual Public Motor Vehicle Liability Security Fund and the Motor Vehicle Liability Security Fund equal to 15% of the outstanding claim reserves incurred under policies providing benefits secured by such sections.

The benefits secured under these sections are on account of claims from "motor vehicle accidents". The definition of "motor vehicle accident" includes out-of-state insureds having accidents in this State. Consequently, the outstanding claim reserves on which the 15% ceiling is to be computed must also include the claim reserves arising from accidents occurring in this State where out-of-state insureds are involved.

These provisions of the Statute are being called to your attention at this time so that you may be prepared to submit the proper claim reserve figures required with your returns for the quarter ending December 31, 1968.

Kindly acknowledge receipt of this letter.

Very truly yours,

[SIGNATURE]

Superintendent of Insurance