§ 656. Claims against the fund. 1. If an uninsured transmitter of money has defaulted in making payment on any of its New York instruments, the superintendent shall give notice of such default to purchasers and holders of such instruments. Such notice may be given by means of publication in such newspaper or newspapers as the superintendent may direct and by such other means, if any, as the superintendent may determine to be reasonable and necessary under the circumstances. The determination of the superintendent as to the means of notice shall be conclusively presumed reasonable if notice is published in such newspaper or newspapers for five consecutive days. Such notices shall request purchasers and holders of such instruments who wish to file claims against the fund to present such claims to the superintendent and to file proper proof thereof within the period of time set forth in the notice and at a place specified therein. Such notice may limit the period of time within which claims may be filed to a period of time no less than ten business days from the final date of notice. Claimants shall file their claims in the form and manner prescribed by the superintendent and shall make proof thereof and of the loss actually suffered by such claimants to the satisfaction of the superintendent. The superintendent shall examine the claims so filed, determine the amount due upon such claims and certify, in writing, the amount due each claimant, whereupon payment by the fund to the claimant shall be made as provided for in this article. In any case where the superintendent is not satisfied as to the allowability of a claim or if he has notice of an adverse claim with respect to such New York instrument, he may require the final determination of a court of competent jurisdiction before certifying such claim. Whoever, for the purpose of obtaining payment on any insured New York instrument, or the payment of any claim, makes any statement knowing it to be false, or willfully overvalues any claim, shall be guilty of a Class A misdemeanor.

2. The payment by the fund to the claimant shall constitute an assignment, by operation of law, of all rights which the claimant has with respect to the New York instrument, including all rights, claims and interests in property which the claimant could have asserted against the transmitter of money or its property or otherwise, and all

recoveries which he would have been entitled to under the provisions of section six hundred forty-three of this chapter, provided that if any portion of such New York instrument is uninsured by virtue of the fact that it exceeds the maximum amount of insurance provided for by section six hundred fifty-five of this article or otherwise, the claimant shall retain all of his rights with respect to the uninsured portion of such instrument.