§ 6108. Contingent liability; non-assessable policies. (a) Every contract of insurance and subscriber's agreement under or by which contracts of insurance are issued or exchanged by any authorized reciprocal insurer shall provide for a contingent several liability for assessment of the subscriber as an inter-insurer on the risks of every other subscriber in an amount not less than one nor more than ten times the annual premium and in addition to the annual premium expressed in such contracts of insurance issued to the subscriber by the reciprocal insurer.

(b) If the admitted assets of any such insurer are at any time insufficient for the payment of losses and expenses after providing for all other liabilities of such insurer and the minimum surplus to policyholders required by this chapter, the advisory committee shall, within thirty days thereafter, order an assessment for the amount necessary to pay such losses and expenses, and authorize the attorney-in-fact to collect from each subscriber liable therefor a pro rata share of the amount of such assessment, subject to the limit specified in the contract of such subscriber and to maintain an action therefor in the name of the attorney-in-fact.

(c) Every policy issued by any such insurer shall clearly state whether or not the holder of the policy is subject to liability for assessment. All policies issued by any such insurer which are subject to liability for assessment shall contain a clear statement of the liability of the policyholder for payment of a proportionate share of any deficiency or impairment as provided by law within the limit provided by the policy, and shall further state that any assessment shall be for the exclusive benefit of holders of policies which provide for such a contingent liability, and the holders of policies subject to assessment shall not be liable to assessment in an amount greater in proportion to the total deficiency than the ratio that the deficiency attributable to the assessable business bears to the total deficiency.

(d) Any reciprocal insurer, except a municipal reciprocal insurer which issues policies not covered by the property/casualty insurance security fund, may with the permission of the superintendent issue non-assessable policies or agreements in this state upon compliance with the following requirements:

(1) It shall have and maintain a surplus to policyholders at least

equal to one hundred fifty percent of the amount of surplus to policyholders which such insurer is required to maintain by the provisions of section six thousand one hundred two of this article. Such surplus shall be inclusive of any surplus required by any other sections of this chapter.

(2) It shall have submitted a copy of its proposed non-assessable policy or policies for approval of the superintendent, and shall have obtained his approval thereof.