§ 7602. Definitions. In this article, unless the context or subject matter otherwise requires:

(a) "Fund" means either the property/casualty insurance security fund or the public motor vehicle liability security fund.

(b) "Fund year" means the calendar year.

(c) "Insurer" means any insurer (other than an insolvent insurer, or a municipal reciprocal insurer which issues policies not covered by the property/casualty insurance security fund, or a risk retention group as defined in article fifty-nine of this chapter, or a provider of service contracts pursuant to article seventy-nine of this chapter) authorized to transact the kinds of business specified in paragraphs four through fourteen, sixteen, seventeen, nineteen through twenty-one of subsection (a) of section one thousand one hundred thirteen of this chapter.

(d) "Policy" means a policy issued by an insurer authorized to do business in this state, including a policy or surety bond filed pursuant to article six or seven of the vehicle and traffic law, insuring against legal liability arising out of the ownership, operation or maintenance of motor vehicles, including surety bonds or insurance policies issued to meet the requirements of section three hundred seventy of the vehicle and traffic law.

(e) "Net direct written premiums" means direct gross premiums written on policies subject to this article, insuring:

(1) property or risks located or resident in this state,

(2) legal liability arising out of the ownership, operation or maintenance of motor vehicles which are principally garaged in this state, less return premiums thereon and dividends paid to policyholders on such direct business.

For the purposes of this article premiums written by any authorized insurer on policies issued to self insurers, whether or not designated as reinsurance contracts, shall be deemed "net direct written premiums".

(f) "Motor vehicle accident" means either an accident occurring within or without this state arising out of the ownership, operation or maintenance of a motor vehicle which is principally garaged in this state or an accident occurring within this state arising out of the ownership, operation or maintenance of a motor vehicle which is not principally garaged in this state.

(g) "Allowed claim" means a claim that has been allowed by the

superintendent in a proceeding under article seventy-four of this chapter or, if such claim exceeds twenty-five thousand dollars, has been allowed by the court in a proceeding under article seventy-four of this chapter, and which is based upon:

(1) a policy insuring property or risks located or resident in this state, or

(2) a policy issued in this state to a resident of this state insuring property or risks, located or resident outside this state but within the United States, its possessions and territories, and Canada, provided that, with respect to policies covered under this paragraph:

(A) irrespective of the amount of claim that has been allowed, no person shall recover any amount from this fund until such person has exhausted all rights of recovery from any security fund, guaranty association, or the equivalent in the jurisdiction where such property or risks are located or resident; and, thereafter, such person's recovery from this fund, when combined with amounts recovered or recoverable from any other security fund, guaranty association, or the equivalent in such jurisdiction, shall not exceed the maximum limit available to a qualified claimant for a recovery solely from such other security fund, guaranty association, or the equivalent; and

(B) the aggregate limit for all claims arising out of any one policy, excluding claims with respect to property or risks located or resident in this state, shall not exceed the lesser of the aggregate limit of the policy or five million dollars.

(h) "Injured party claim" means a claim of a person, other than a policyholder or assured, who suffered an injury to his person or property arising out of an insured incident within the coverage of the policy.

(i) "Policyholder claim" means a claim of a policyholder or assured within the coverage of the policy, wherein such person suffered loss or 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 article seventy-four of this chapter.

(j) "Commissioner" means the commissioner of taxation and finance of this state.