Fannie Mae®

Multifamily Selling and Servicing Guide

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TABLE OF CONTENTS

Part II Section 503.05 Directors' and Officers' Liability Insurance 3
GLOSSARY 4

503.05 Directors’ and Officers’ Liability Insurance

☑ Requirements

You must ensure for each Property owned by a Cooperative Organization, that each Borrower maintains directors' and officers' liability insurance with:

- coverage equal to at least $1 million per claim or per occurrence; and
- a deductible less than or equal to $50,000.

Glossary

B

Borrower	Person who is the obligor per the Note. **Synonyms** • Borrowers • Borrower's

C

Cooperative Organization	Corporation or legal entity where each shareholder or equity owner is granted the right to occupy a unit in a multifamily residential property under a proprietary lease or occupancy agreement.
Cooperative Property	Multifamily residential property owned by a Cooperative Organization. **Synonyms** • Co-op • Cooperative

P

Property	Multifamily residential real estate securing the Mortgage Loan, including the • fee simple or Leasehold interest, • Improvements, and • personal property (per the Uniform Commercial Code). **Synonyms** • Properties • Property's

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