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# 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 officer's 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.

## 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