

13 NYCRR Section 21.2.

Procedure for Submission

(a) The offering plan and the exhibits described below shall be submitted to the New York State Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, N.Y. 10271.

(b) The exhibits shall accompany the offering plan submitted to the Department of Law and shall be subject to the requirements and sanctions of article 23-A of the General Business Law. Whenever an exhibit document is marked "original" on the list set forth in subdivision (c) of this section, it means that the document must be duly executed, original document. Whenever a document is marked "copy" on the list set forth in subdivision (c) of this section, it means that a true and complete copy of the document must be included.

(c) The offering plan and exhibits submitted pursuant to this Part must contain the following components and be in the following format:

(1) A transmittal letter addressed to the Department of Law that is signed and affirmed under penalty of perjury by the attorney for the sponsor, containing the unqualified statements required by section 21.4(a) of this Part. The transmittal letter must expressly indicate any exhibit that is not included and set forth the reasons for the omission. Exemptions requested pursuant to section 21.1(i) of this Part must be annexed to and be submitted with the transmittal letter. Pursuant to section 21.3(q) of this Part, the transmittal letter must note whether the offering plan contains any description of or reference to a wraparound mortgage on the property.

(2) ~~Six~~ Three copies of a typed or printed, bound offering plan.

(3) Two copies of parts A (Certifications) and B (General) of the exhibits, indexed with numbered tabs and secured in folders so that documents can be removed easily. In addition, conformed or photostatic copies of the certifications must appear in the offering plan.

(i) Part A of the exhibits (Certifications) shall consist of the following documents:

(a) (A-1) index of documents in parts A and B;

(b) (A-2) certification by sponsor and sponsor's principals (orig.);

(c) (A-3) certification by sponsor's engineer or architect (orig.);

(d) (A-4) certification by expert as to adequacy of projected income and expenses of the cooperative for the first year of cooperative operation (orig.).

(ii) Part B of the exhibits (General) shall consist of the following documents:

(a) (B-1) projections from qualified experts or the local suppliers of the consumption, and total cost for furnishing heat, hot water, electricity and other utilities to the building including public areas. If shareholders directly pay the cost of heating their own units, include similar projections for heat, hot water and electricity for individual units;

(b) (B-2) copy of title company report dated within 30 days of submission;

(c) (B-3) copy of proposed management agreement;

(d) (B-4) copies of any contract which will be binding on the apartment corporation for \$2,500 or more per year;

(e) (B-5) copy of letter from an insurance company or its authorized agent, stating proposed insurance coverage and amounts, the applicable tariff classifications, and the annual premium or premiums.

(f) (B-6) copy of an opinion from a licensed insurance broker, insurance appraiser or real estate appraiser concerning adequacy of coverage to avoid being a co-insurer and/or the adequacy of coverage to replace the building.

(g) (B-7) copy of section 352-a/352-b Designation of Secretary of State as agent (applicable only to out-of-state issuers, sponsors, principals and/or selling agents).

(h) (B-8) if the plan involves construction or rehabilitation and one is available, an estimate of the assessed valuation after completion of construction or rehabilitation from the local tax assessor. If applicable but not available, an estimate of the assessed valuation after completion of construction or rehabilitation from a real estate broker, appraiser, attorney or other professional familiar with the tax assessment practices in the locality in which the property is located;

(i) (B-9) for cooperatives located outside of New York, copy of statutes and regulations governing cooperatives and evidence of compliance with that law;

(j) (B-10) copy of the mortgage and note or bond required by sponsor if sponsor is offering financing or required by a mortgage lender procured by sponsor together with any other document which significantly affects a purchaser's obligations for financing offered or procured by sponsor. If the documents are not available at the time of submission to the Department of Law, so indicate and forward when available;

(k) (B-11) copy of Certificate of Incorporation and receipt from Secretary of State for the apartment corporation;

(l) (B-12) copy of specimen stock certificate. Include any restrictions on transferring and any endorsements;

(m) (B-13) copy of any mortgage and note or bond that will be a lien on the property after closing or which presently encumbers the property;

(n) (B-14) copy of any mortgage financing commitment letter;

(o) (B-15) copies of professional and commercial leases;

(p) (B-16) copy of contract of sale or exchange between the sponsor and the apartment corporation that conforms to the contract described in the offering plan;

(q) (B-17) other material document(s), each of which should be described in the transmittal letter, *e.g.*, copy of regulatory agreement with a government agency;

(r) (B-18) Copy of the escrow agreement between the sponsor and the attorney(s) acting as escrow agent. If the model form is not used, so indicate. Copy of bank forms to be used to open ~~the any~~ escrow account;

(s) *(B-19) Copy of surety bonds or letter of credit proposed to secure down payments and any underlying agreement or related agreement, and any undertaking called for in the regulations or proposed to be furnished.

(iii) One copy of part C of the exhibits (Engineering). Part C of the exhibits shall consist of the following documents:

(a) (C-1) copy of approved building plans if available or if required by [General Business Law section 352-ee](#) or if required by local law. Any specifications required by government agencies having jurisdiction and copies of all re-

quired construction permits from government agencies having jurisdiction. Except for an offering plan governed by [General Business Law section 352-ee](#), if the approval of the building plans on the construction permits are not available at the time of submission of the offering plan to the Department of Law, so indicate and forward when available;

(b) (C-2) architect's or engineer's detailed description of the physical aspects of the cooperative with the architect's or engineer's stamp and original signature;

(c) (C-3) copy of temporary, partial or permanent certificate of occupancy to be in effect after construction or rehabilitation, if available. If the certificate of occupancy is not available at the time of submission of the offering plan to the Department of Law, so indicate and forward to the Department of Law when available.

(iv) One copy of part D of the exhibits (fees, and other information) in a separate folder similarly secured and indexed. Part D of the exhibits shall consist of the following documents:

(a) (D-1) personal or certified checks for filing fees under [General Business Law sections 352-e\(7\)\(a\)](#) and [359-e\(5\)](#) payable to the New York State Department of Law placed within an envelope at the first tab with form of receipt issued by the Department of Law. To expedite processing, the sponsor should submit two checks, each in the amount of one half of the total fee due under [General Business Law section 352-e\(7\)\(a\)](#) at the time of submission. Each check for filing fees should be accompanied by a form of receipt issued by the Department of Law. One of the two checks will be returned to the sponsor if the Department of Law issues a deficiency letter;

(b) (D-2) signed M-10 form(s), broker-dealer statement, for the selling agents (Orig), unless exempted by [General Business Law section 359-e](#), and signed M-2 form(s), salespersons' statements, for all individual employees who act as salespersons (Orig), unless exempted by [General Business Law section 359-e](#). Forms do not have to be submitted if currently valid registration forms are on file with the Department of Law from prior offerings (Orig) and a copy of the form is submitted as Exhibit D-1;

(c) (D-3) signed M-10 form(s), registration for broker-dealer, for the sponsor signed by all officers, directors, partners or principals. Forms do not have to be submitted if currently valid registration forms are on file with the Department of Law from prior public offerings (orig.);

(d) (D-4) signed RI-1 form(s), registrant information form(s) concerning prior convictions, judgments, administrative actions, bankruptcy, employment and business affiliations for all principals of the sponsor (orig.);

(e) (D-5) proof of financial responsibility of sponsor (sponsor's certified statement or affidavit of sponsor's net worth) and sponsor's certification that its net worth together with the proceeds of firmly committed construction financing, are sufficient to meet sponsor's unsecured obligations under the plan to complete all work and meet sponsor's obligations for unsold shares (orig.);

(f) (D-6) an affidavit from sponsor and principals of sponsor, as defined in subdivisions (c) and (d) of section 21.1 of this Part, stating whether sponsor and principals of sponsor have taken part in public offerings of cooperative interests in realty including condominiums in or from New York which were initially offered during the preceding five years. State the address of the realty and approximate date of the closing for cooperatives and the first closing for condominiums;

(g) (D-7) exemption application pursuant to [General Business Law section 359-e](#);

(h) (D-8) completed statistical information card(s) available from the Department of Law.