

RULES AND REGULATIONS OF THE STATE OF NEW YORK
TITLE 11. INSURANCE DEPARTMENT
Chapter III — POLICY AND CERTIFICATE PROVISIONS
Subchapter B. Property and Casualty Insurance
Part 62. Fire Insurance
(Regulations 21 and 96)
Subpart 62-4. Anti-Arson Application

11 NYCRR 62-4.0 Introduction

The purpose of this Subpart is to implement the provisions of section 3403 of the Insurance Law that require the Superintendent of Financial Services to promulgate a two-tier anti-arson application, which includes certain questions that shall be answered by the applicant for new or renewal insurance policies or binders covering the peril of fire or explosion, in addition to any further information that the insurer may require.

Statutory Authority - Financial Services Law, sections 202 and 302; Banking Law, section 14(1); Insurance Law, section 301.

History Sec. filed and eff. Sept. 10, 1982; amd. filed August 30, 1999 eff. Sept. 15, 1999; amd. filed June 7, 2002 eff. June 26, 2002; amd. 6-1-2013; amd. 8-1-2013.

11 NYCRR 62-4.1 Applicability

(a) This Subpart shall apply to all new and renewal insurance policies and binders, issued on or after July 1, 1982, covering the peril of fire or explosion, insuring property in this state as provided in paragraph (a)(3) of section 3403 of the Insurance Law, except owner-occupied buildings used predominantly for residential purposes which consist of not more than four dwelling units.

(b) An assignment of an existing policy or insurance contract, because of a transfer of a major financial interest in the insured real property, shall require completion of the anti-arson application, if otherwise required by this section. A transfer of a financial interest totaling 25 percent or more shall constitute a transfer of a major financial interest.

(c) This Subpart applies to cities with a population of over 400,000 persons according to the 1970 census. However, the governing board of any local municipal corporation, as defined in article 1 of the General Municipal Law, may petition the Superintendent of Financial Services to mandate the use of the anti-arson application within specific designations in its jurisdiction for any policies issued 30 days after the superintendent's date of approval. Such petitions should be addressed to the:

Superintendent of Financial Services
New York State Department of Financial Services
Property Bureau
One State Street
New York, NY 10004

Statutory Authority - Financial Services Law, sections 202 and 302; Banking Law, section 14(1); Insurance Law, section 301.

History Sec. filed and eff. Sept. 10, 1982; amd. filed Jan. 16, 1998 eff. Feb. 4, 1998; amd. filed Aug. 30, 1999 eff. Sept. 15, 1999; amd. filed June 7, 2002 eff. June 26, 2002; amd. 6-1-2013; amd. 8-1-2013.

11 NYCRR 62-4.2 Anti-arson application

(a) New business.

(1) Every insurer, broker or agent shall furnish to all applicants for insurance subject to this Subpart an anti-arson application, containing at least the information requested in subdivisions (c) and (d) of this section, prior to or at the time the risk is submitted or bound.

(2) Unless the insured returns the completed, signed and affirmed anti-arson application to the insurer, broker or agent within 45 days of the effective date of coverage, the insurer shall cancel such coverage by giving written notice to the insured and to the designated mortgagee not named as the insured in the policy or binder in accordance with subsection (b) of section 3426 of the Insurance Law. If the policy covers nonowner-occupied buildings used predominantly for residential purposes which consist of not more than four dwelling units, such notice shall comply with the provisions of subsection (b) of section 3425 of the Insurance Law.

(b) Renewal business.

(1) At least 45 days but not more than 60 days in advance of the expiration date of a policy subject to this Subpart, or the annual renewal date of a policy covering non owner-occupied buildings used predominantly for residential purposes which consist of not more than four dwelling units, every insurer shall deliver an anti-arson application to the named insured at the mailing address shown on the policy or to the insured's agent or broker.

(2) If the insured fails to return the completed, signed and affirmed anti-arson application to the insurer prior to the expiration date of the policy, the insurer shall cancel the policy in accordance with section 3426(c)(1)(G) of the

Insurance Law. If the insured of a policy covering non owner-occupied buildings used predominantly for residential purposes which consist of not more than four dwelling units fails to return the completed, signed and affirmed anti-arson application to the insurer prior to the annual renewal date of the policy, the policy shall be canceled in accordance with section 3425(c)(2)(F) of the Insurance Law.

(c) Anti-arson application (Part 1)

STATE OF NEW YORK ANTI-ARSON APPLICATION (NYFA-1) PART 1
(Continued on following page)

WARNING: This application must be completed and returned by the applicant or insured pursuant to section 168-j of the New York Insurance Law and Insurance Department Regulation 96.

NAME OF APPLICANT OR INSURED _____

LOCATION OF PROPERTY _____

Amount of Insurance \$ _____ Applicant is: Owner Occupant Absentee Owner Tenant

Other _____

OCCUPANCY(IES) _____

VALUATION: This information helps to explain the amount of insurance selected at the time of application, but does not determine the value at the time of loss.

PURCHASE INFORMATION: Date _____ Price \$ _____ Cost of subsequent improvements \$ _____

Estimated Replacement Cost \$ _____ Estimated Fair Market Value (exclusive of land) \$ _____

For rental properties, indicate the Annual Rental Income \$ _____ Check the valuation method used to establish the amount of insurance:

- Replacement Cost
- Replacement Cost Less Physical Depreciation
- Fair Market Value (exclusive of land)
- Other _____

Who determined the value? _____ Attach a copy of any appraisal.

UNDERWRITING INFORMATION: If the answer to any of the following questions is "yes" complete the corresponding numbered section of Part 2.

- | | YES | NO |
|---|-----|-----|
| 1. Is the applicant other than an individual or sole proprietorship? | ___ | ___ |
| 2. Are any mortgage payments (building or contents) overdue by 3 months or more? | ___ | ___ |
| 3. Are there any real estate tax liens or other tax liens against the property or real estate taxes overdue to one year or more? | ___ | ___ |
| 4. Are there any outstanding recorded violations of fire, safety, health, building or construction codes at this location? | ___ | ___ |
| 5. Has anyone with a financial interest in this property been convicted of arson, fraud or other crimes related to loss on property during the last 5 years? | ___ | ___ |
| 6. Is the mortgagee other than a federal or state chartered lending institution? | ___ | ___ |
| 7. Except where federal or state chartered lending institutions are the applicants, please furnish the following information: | | |
| Have there been fire losses during the past five years exceeding \$1,000 in damages to this property or to any property in which the applicant has an equity interest as an owner or mortgagee? | ___ | ___ |
| 8. (a) If the property is commercial, is more than 10% of the rentable space vacant, unoccupied or seasonal? | ___ | ___ |
| (b) If the property is residential, are 5% or more of the apartments vacant, unoccupied or seasonal? | ___ | ___ |
| (c) Is the water, sewage, electricity or heat out of service? | ___ | ___ |
| 9. OTHER POLICIES | | |
| (a) Is there any other insurance in force or applied for on this property? | ___ | ___ |
| (b) Has any coverage or policy on this property been declined, cancelled or non-renewed in the last 3 years? | ___ | ___ |
| 10. Has this property been under the ownership of the applicant for less than 3 years? | ___ | ___ |

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME. THE PROPOSED INSURED AFFIRMS THAT THE FOREGOING INFORMATION IS TRUE AND AGREES THAT THESE APPLICATIONS SHALL CONSTITUTE A PART OF ANY POLICY ISSUED WHETHER ATTACHED OR NOT AND THAT ANY WILLFUL CONCEALMENT OR MISREPRESENTATION OF A MATERIAL FACT OR CIRCUMSTANCES SHALL BE GROUNDS TO RESCIND THE INSURANCE POLICY

SIGNATURE OF PROPOSED INSURED

TITLE

DATE

INSUREDS SHALL NOTIFY THE INSURER IN WRITING OF ANY CHANGE IN THE INFORMATION CONTAINED HEREIN, UPON RENEWAL OR ANNUALLY WHICHEVER IS SOONER. FAILURE TO COMPLY MAY RESULT IN RESCISSION OF YOUR POLICY.

(d) Anti-arson application (Part 2)

STATE OF NEW YORK ANTI-ARSON APPLICATION (NYFA-1) PART 2
(Continued on following page)

OWNERSHIP INFORMATION:

1. List the names and addresses of:
Shareholders of a corporation Partners, including limited partners Trustees and beneficiaries
Note: List only those possessing an ownership interest of 25% or more, except for close corporations and beneficiaries where all owners should be listed.

NAME	ADDRESS	POSITION	INTEREST %
_____	_____	_____	_____
_____	_____	_____	_____

2. Mortgage Payments: Mortgagee _____ Date Due _____ Amount Due \$ _____
List any other encumbrances: _____
3. Unpaid Taxes or Unpaid Liens: Type _____ Date Due _____ Amount Due \$ _____
4. Code Violations: Date _____ Describe _____
5. Convictions: Date _____ Describe _____
Name of Person _____
6. Name(s) of Unchartered Mortgagee(s): _____
7. Losses:

Location	Date	Amount	Description
_____	_____	\$ _____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Vacancy and/or unoccupancy:
Indicate seasonal period (if any) when building is unused _____
For apartment buildings indicate Total Units _____ Unoccupied Units _____
For other buildings indicate Vacancy _____ % Unoccupancy _____ %
For all buildings indicate the following
Reason for vacancy/unoccupancy: _____
Anticipated date of occupancy _____
If the building is vacant or unoccupied, indicate how it is protected from unauthorized entry _____

	YES	NO
Is there a governmental order to vacate or destroy the building or has the building been classified as uninhabitable or structurally unsafe?	_____	_____
If water, sewage, electricity or heat is out of service, explain circumstances _____		
Is there unrepaired damage or have items been stripped from the building?	_____	_____
If Yes, Describe _____		
Is the building for sale? If Yes, date put up for sale: _____		

9. OTHER POLICIES: Indicate status (In force, applied for, declined, cancelled or nonrenewed)
- | Status | Date | Amount of Insurance | Carrier | Policy # |
|--------|-------|---------------------|---------|----------|
| _____ | _____ | \$ _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

10. List all real estate transactions during last 3 years involving this property
- | Date | Selling Price | Name of Seller | Amount of Mortgage | Mortgagee |
|-------|---------------|----------------|--------------------|-----------|
| _____ | \$ _____ | _____ | \$ _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

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THE PROPOSED INSURED AFFIRMS THAT THE FOREGOING INFORMATION IS TRUE AND AGREES THAT THESE APPLICATIONS SHALL CONSTITUTE A PART OF ANY POLICY ISSUED WHETHER ATTACHED OR NOT AND THAT ANY WILLFUL CONCEALMENT OR MISREPRESENTATION OF A MATERIAL FACT OR CIRCUMSTANCES SHALL BE GROUNDS TO RESCIND THE INSURANCE POLICY.

SIGNATURE OF PROPOSED INSURED

TITLE

DATE

Statutory Authority - Insurance Law, §§ 201, 301, 318, 319, 2601, 3403, 3413, and 3432.

History Sec. filed and eff. Sept. 10, 1982; amd. filed Aug. 30, 1999 eff. Sept. 15, 1999; amd. filed June 7, 2002 eff. June 26, 2002.

11 NYCRR 62-4.3 Request for suspension or waiver of anti-arson application

(a) An insurer may apply to the superintendent, pursuant to Section 3403(h) of the Insurance Law, for a suspension or waiver of use of the anti-arson application upon policy renewal required by section 3403(f), if the insurer demonstrates that information substantially equivalent to the information contained in the anti-arson application can be obtained through other means.

(b) Any request for suspension or waiver shall list the specific sources used to elicit information contained in the anti-arson application. These sources may include, but are not limited to:

(1) the insurer's renewal questionnaire;

(2) information obtained from high-technology data banks used by credit reporting agencies, rating agencies, or other similar entities; and

(3) physical inspection by the insurer of the insured property.

(c) Each request for suspension or waiver shall specify how each item of information in the anti-arson application shall be obtained through other sources. It shall also specify the frequency with which the insurer shall obtain such information but in no instance shall the frequency of obtaining each item of information be less than once in every twelve month period.

(d) Any information obtained through sources other than the anti-arson application shall be maintained in the insured's underwriting file subject to examination by the superintendent.

Statutory Authority - Insurance Law, §§ 201, 301, 318, 319, 403(e), 2601, 3403, 3413, and 3432.

History Sec. filed Sept. 8, 2000 eff. Sept. 27, 2000; amd. filed June 7, 2002 eff. June 26, 2002.