

New York State Law Revision Commission

An act to amend the general obligations law, in relation to powers of attorney, to provide definitions and general requirements for valid powers of attorney, provide for the duties of the agent, require the agent to sign the power of attorney form, provide procedures for the revocation of the power of attorney, and provide for civil proceedings with respect to powers of attorney.

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN THE SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 5-1501 of the general obligations law is REPEALED, and three new sections 5-1501, 5-1501A, and 5-1501B are added to read as follows:

§ 5-1501. Definitions.

As used in this title the following terms shall have the following meanings:

1. “Agent” means a person granted authority to act as attorney-in-fact for the principal under a power of attorney, and includes the original agent and any co-agent or successor agent. Unless the context clearly indicates otherwise, an “agent” designated in a power of attorney shall mean “attorney-in-fact” for the purposes of this title. An agent acting under a power of attorney has a fiduciary relationship with the principal.
2. “Benefits from governmental programs or civil or military service” means any benefit, program or assistance provided under a statute or governmental regulation including Social Security, Medicare, and Medicaid.
3. “Best interest” means solely for the principal’s benefit.
4. “Capacity” means ability to comprehend the nature and consequences of the act of executing and granting, revoking, amending, or modifying a power of attorney, any provision in a power of attorney, or the authority of any person to act as agent under a power of attorney.
5. “Compensation” means reasonable compensation paid to the agent from assets of the principal for services actually rendered by the agent pursuant to the authority granted in a power of attorney.
6. “Financial institution” means a financial entity, including, but not limited to, the following: a bank, trust company, national bank, savings bank, federal mutual savings bank, savings and loan association, federal savings and loan association, federal mutual savings and loan association, credit union, federal credit union, branch of a foreign banking corporation, public pension fund, retirement system, securities broker, securities dealer, securities firm, insurance company.
7. “Incapacitated” means to be without capacity.
8. “Internal Revenue Code” means the United States Internal Revenue Code of 1986, as amended. Such references, however, shall be deemed to constitute references to any corresponding provisions of any subsequent federal tax code.
9. “Monitor” means a person appointed in the power of attorney who has the authority to request, receive, and compel the agent to provide a complete record of all receipts, disbursements, and transactions entered into by the agent on behalf of the principal.
10. “Person” means an individual, corporation, business trust, estate, trust, partnership, limited

liability company, association, joint venture, government, governmental subdivision, government agency, government instrumentality, public corporation, or any other legal or commercial entity.

11. "Power of attorney" means a written document by which a principal with capacity designates an agent to act on his or her behalf.

12. "Principal" means an individual who is eighteen years of age or older who executes a power of attorney.

13. "Signature" means with present intent to authenticate or adopt a record:

(a) the execution or adoption of a tangible symbol; or

(b) the attachment to or logical association with the record of an electronic sound, symbol, or process.

14. "Statutory major gifts rider" means a document that may supplement a power of attorney and that meets the requirements of subdivision one of section 5-1514 of this title, and that contains the exact wording of the form set forth in subdivision two of section 5-1514 of this title. A statutory major gifts rider may contain modifications or additions as provided in section 5-1503 of this title. A statutory major gifts rider and the power of attorney it supplements must be read together as a single instrument.

15. "Statutory short form power of attorney" means a power of attorney that meets the requirements of paragraphs (a), (b) and (c) of subdivision one of section 5-1501B of this title, and that contains the exact wording of the form set forth in section 5-1513 of this title. A "statutory short form power of attorney" may contain modifications or additions as provided in section 5-1503 of this title.

16. "Third party" means a financial institution or person.

17. "Vulnerable adult" means an individual who is eighteen years of age or older who is unable to protect himself or herself from abuse, neglect or exploitation by others because of a physical or mental impairment.

§ 5-1501A. Power of attorney not affected by incapacity

1. A power of attorney is durable unless it expressly provides that it is terminated by the incapacity of the principal.

2. The subsequent incapacity of a principal shall not revoke or terminate the authority of an agent who acts under a durable power of attorney. All acts done during any period of the principal's incapacity by an agent pursuant to a durable power of attorney shall have the same effect and inure to the benefit of and bind a principal and his or her distributees, devisees, legatees and personal representatives as if such principal had capacity. If a guardian is thereafter appointed for such principal, such agent, during the continuance of the appointment, shall account to the guardian rather than to such principal.

§ 5-1501B. Creation of a power of attorney; when effective

1. To be valid, a power of attorney must:

(a) Be typed or printed using letters which are of clear type no less than twelve point in size, or, if in writing, a reasonable equivalent thereof.

(b) Purport to be signed and dated by a principal with capacity and duly acknowledged in the manner prescribed for the acknowledgment of a conveyance of real property.

(c) Be signed and dated by the agent, or agents if two or more agents are designated to act together, and duly acknowledged in the manner prescribed for the acknowledgment of

a conveyance of real property. A power of attorney executed pursuant to this section is not invalid solely because there has been a lapse of time between the date of acknowledgment of the signature of the principal and the date(s) of acknowledgment of the signature of the agent(s) or because the principal became incapacitated during any such lapse of time. If the principal designates one or more successor agents, the signature of a successor agent is not required until all preceding agents are unable or unwilling to serve.

(d) If the power of attorney is not a statutory short form power of attorney, it must:

(1) contain, in bold face type, the language of the statutory short form power of attorney at section 5-1513 of this title, captioned "CAUTION TO THE PRINCIPAL" and "NOTICE TO THE AGENT".

(2) be executed pursuant to the requirements of paragraph (b) of subdivision (1) of section 5-1514 of this title if the power of attorney authorizes the agent to make any gift or other transfer described in section 5-1502O of this title.

2. A power of attorney is effective when the principal signs it, unless the document:

(a) specifies that it is to become effective at a future time specified in the document; or
(b) specifies that it is to become effective upon the occurrence of a contingency specified in the document, provided that the document requires that a person or persons named or otherwise identified therein declare, in writing, that such contingency has occurred. A power limited as provided in the preceding sentence shall take effect upon the written declaration of the person or persons named in the instrument that the specified contingency has occurred, without regard to whether the specified contingency has occurred.

§ 2 Subdivision 2 of section 5-1502D of the general obligations law, as amended by chapter 576 of the laws of 1963, is amended to read as follows:

2. To open either in the name of the agent alone, or in the name of the principal alone, or in both their names jointly or otherwise, a deposit account of any type with any banker or in any banking institution selected by the agent, and which, if joint, does not confer survivorship rights, to hire such safe deposit box or vault space and to make such other contracts for the procuring of other services made available by any such banker or banking institution as the agent shall think to be desirable;

§ 3. Subdivisions 2 and 3 of section 5-1502F of the general obligations law, as amended by chapter 576 of the laws of 1963, are amended to read as follows:

2. To procure new, different or additional contracts of insurance on the life of the principal or protecting the principal with respect to ill-health, disability, accident or liability of any sort, to select the amount, the type of insurance contract and the mode of payment under each such policy, to pay the premium or assessment on, to modify, to rescind, and to release or to terminate, any contract so procured by the agent;[and to designate the beneficiary of any such contract of insurance, provided, however, that the agent himself cannot be such beneficiary unless the agent is spouse, child, grandchild, parent, brother or sister of the principal;]

3. To apply for and to receive any available loan on the security of the contract of insurance, whether for the payment of a premium or for the procuring of cash, to surrender and thereupon to receive the cash surrender value, to exercise any election as to beneficiary or mode of payment, to change the manner of paying premiums, and to change or to convert the type of insurance

contract, with respect to any contract of life, accident, health, disability or liability insurance as to which the principal has, or claims to have, any one or more of the powers described in this section;[and to change the beneficiary of any such contract of insurance, provided, however, that the agent himself cannot be such new beneficiary unless the agent is spouse, child, grandchild, parent, brother or sister of the principal;]

§ 4. The closing paragraph of section 5-1502G of the general obligations law, as amended by chapter 599 of the laws of 2003, is amended to read as follows:

All powers described in this section 5-1502G of the general obligations law shall be exercisable equally with respect to any estate of a decedent, absentee, infant or incompetent, or the administration of any trust or other fund, in which the principal is interested at the giving of the power of attorney or may thereafter become interested, regardless of whether the estate, trust or other fund is specifically identified at the giving of the power of attorney and whether located in the state of New York or elsewhere.

§ 5. The caption, introductory paragraph and subdivisions 13 and 14 of section 5-1502I of the general obligations law, as amended by chapter 576 of the laws of 1963, are amended to read as follows and a new subdivision 14 is added to read as follows:

§5-1502I. Construction—personal [relationships and affairs] and family maintenance

In a statutory short form power of attorney, the language conferring general authority with respect to “personal [relationships,]and family maintenance” must be construed to mean that the principal authorizes the agent:

13. To hire, to discharge, and to compensate any attorney, accountant, expert witness, or other assistant or assistants when the agent shall think such action to be desirable for the proper execution by him of any of the powers described in this section, and for the keeping of needed records thereof; [and]

14. To continue whatever birthday and holiday gifts have been made by the principal, prior to the creation of the agency or thereafter, to his or her spouse, children, and more remote descendants, and parents; provided that no person may be the recipient of gifts in any one calendar year which, in the aggregate, exceed 1% of the amount of the federal gift tax exclusion available to the principal under section 2503(b) of the Internal Revenue Code; and

[14.]15. In general, and in addition to all the specific acts in this section enumerated, to do any other act or acts, which the principal can do through an agent, for the welfare of the spouse, children or dependents of the principal or for the preservation and maintenance of the other personal relationships of the principal to parents, relatives, friends and organizations.

§ 6. Section 5-1502J of the general obligations law, as amended by chapter 576 of the laws of 1963, is amended to read as follows:

§ 5-1502J. Construction--benefits from governmental programs or civil or military service

In a statutory short form power of attorney, the language conferring general authority with respect to "benefits from governmental programs or civil or military service," must be construed to mean that the principal authorizes the agent:

1. To execute vouchers in the name of the principal for [any and all] allowances and reimbursements payable by the United States, or a foreign government or by [any]a state or subdivision [thereof] of a state, to the principal, including [by way of illustration and not of restriction,]but not limited to [all] allowances and reimbursements for transportation of the principal and of [his]the principal’s spouse, children and other dependents, and for shipment of

household effects[, to receive, to indorse and to collect the proceeds of any check payable to the order of the principal drawn on the treasurer or other fiscal officer or depository of the United States or of any state or subdivision thereof];

2. To take possession and to order the removal and shipment[,] of [any] property of the principal from [any]a post, warehouse, depot, dock or other place of storage or safekeeping, either governmental or private, and [to] execute and [to] deliver [any]a release, voucher, receipt, bill of lading, shipping ticket, certificate or other instrument [which the agent shall think to be desirable or necessary] for such purpose;

3. To enroll in, apply for, select, reject, change, amend, or discontinue a benefit or program on the principal's behalf;

[3.]4. To prepare, [to] file and [to] prosecute [the]a claim of the principal to any benefit or assistance, financial or otherwise, to which the principal is, or claims to be, entitled, under [the provisions of any]a statute or governmental regulation; [existing at the creation of the agency or thereafter enacted by the United States or by any state or by any subdivision thereof, or by any foreign government, which benefit or assistance arises from or is based upon military service performed prior to or after the creation of the agency by the principal or by any person related by blood or by marriage to the principal, to execute any receipt or other instrument which the agent shall think to be desirable or necessary for the enforcement or for the collection of such claim;]

[4.]5. To receive the financial proceeds of any claim of the type described in this section, [to] conserve, [to] invest,[to] disburse or [to utilize]use anything so received for a lawful purpose;[s enumerated in this section, and to reimburse the agent for any expenditures properly made by him in the execution of the powers conferred on him by the statutory short form power of attorney;]

[5.]6. To prosecute, [to] defend, [to] submit to [arbitration]aalternative dispute resolution, [to] settle, and [to] propose or [to] accept a compromise with respect to[,] any [claim existing in favor of, or against, the principal based on or involving any benefits from military service or to intervene in any action or proceeding relating thereto;]benefit or assistance the principal may be entitled to receive under a statute or governmental regulation;

7. To communicate with any representative or employee of a government, governmental subdivision, agency, or instrumentality on behalf of the principal;

[6.]8. To hire, [to] discharge, and [to] compensate any attorney, accountant, expert witness, or other assistant or assistants when the agent shall think such action to be desirable for the proper execution [by him] of any of the powers described in this section; and

[7.]9. In general, and in addition to all the specific acts in this section enumerated, to do any other act or acts, which the principal can do through an agent, and which the agent shall think to be desirable or necessary, to assure to the principal, and to the dependents of the principal, the maximum possible benefit from governmental programs or from civil or [the] military service performed prior to or after the creation of the agency by the principal or by any person related by blood or marriage to the principal.

All powers described in this section 5-1502J of the general obligations law shall be exercisable equally with respect to any benefits from governmental programs or civil or military service existing at the giving of the power of attorney or thereafter accruing, and whether accruing in the state of New York or elsewhere.

§ 7. Section 5-1502K of the general obligations law, as amended by chapter 576 of the laws of 1963, is amended to read as follows:

§ 5-1502K. Construction– health care billing and payment matters; records, reports and statements

In a statutory short form power of attorney, the language conferring general authority with respect to “records, reports and statements” or “health care billing and payment matters; records, reports and statements,” must be construed to mean that the principal authorizes the agent:

1. To access records relating to the provision of health care and to make decisions relating to the past, present or future payment for the provision of health care consented to by the principal or the principal’s health care agent authorized under state law. In so doing the agent is acting as the principal’s personal representative pursuant to sections 1171 through 1179 of the Social Security Act as added by sections 262 and 264 of Public Law 104-191 and applicable regulations. This authority shall not include authorization for the agent to make other medical or health care decisions for the principal;

[1] 2. To keep records of all cash received and disbursed for or on account of the principal, of all credits and debits to the account of the principal, and of all transactions affecting in any way the assets and liabilities of the principal;

[2.] 3. To prepare, to execute and to file all tax, social security, unemployment insurance and information returns, required by the laws of the United States, of any state or of any subdivision thereof or of any foreign government, to prepare, to execute and to file all other papers and instruments which the agent shall think to be desirable or necessary for the safeguarding of the principal against excess or illegal taxation or against penalties imposed for claimed violation of any law or other governmental regulation;

[3.] 4. To prepare, to execute and to file any record, report, [or] statement, or other document, [which the agent shall think to be desirable or necessary for the]to safeguard[ing or maintenance of]or promote the principal's interest[, with respect to price, rent, wage or rationing control, or other governmental activity;]under a statute or governmental regulation;

[4.] 5. To hire, to discharge, and to compensate any attorney, accountant, or other assistant or assistants when the agent shall think such action to be desirable for the proper execution by him of any of the powers described in this section; and

[5] 6. In general, and in addition to all the specific acts in this section enumerated, to do any other act or acts, which the principal can do through an agent, in connection with the preparation, execution, filing, storage or other utilization of any records, reports or statements of or concerning the principal's affairs.

All powers described in this section 5-1502K of the general obligations law shall be exercisable equally with respect to any health care billing and payment matters, and records, reports or statements of or concerning the affairs of the principal existing at the giving of the power of attorney or thereafter arising, and whether arising in the state of New York or elsewhere.

§ 8. Subdivision 2 of section 5-1502L of the general obligations law, as amended by chapter 500 of the laws of 1996, is amended to read as follows:

2. To make investment directions, to select and change payment options, [to designate a beneficiary or beneficiaries, provided, however, that the agent may not designate herself or himself as a beneficiary unless the agent is a spouse, child, grandchild, parent, brother or sister of the principal or unless the short form power of attorney permits the agent to designate himself or

herself,] and to exercise any other election for the principal with regard to any retirement benefit or plan in which the principal has an interest;

§ 9. Section 5-1502M of the general obligations law, as added by chapter 499 of the laws of 1996, is renumbered section 5-1502O and amended to read as follows:

§ 5-1502[M]O. Construction--certain major gift transactions and other transfers

1. In a statutory major gifts rider to a statutory short form power of attorney, the language conferring general authority with respect to “making gifts to my spouse, children and more remote descendants, and parents, not to exceed, [in the aggregate \$10,000 to any person in any year] for each donee, the annual federal gift tax exclusion amount pursuant to the Internal Revenue Code. For gifts to my children and more remote descendants, and parents, the maximum amount of the gift to each donee shall not exceed twice the gift tax exclusion amount, if my spouse agrees to split gift treatment pursuant to the Internal Revenue Code” must be construed to mean that the principal authorizes the agent:

a. To make gifts on behalf of the principal to the principal's spouse, children and other descendants, and parents, [including the agent, either outright or to a trust for the sole benefit of one or more of said persons, whether an existing trust or a trust which the agent is hereby authorized to create, only for purposes which the agent reasonably deems to be in the best interest of the principal, specifically including minimization of income, estate, inheritance, generation-skipping transfer or gift taxes, provided that no person may be the recipient of gifts in any one calendar year which, in the aggregate, exceed \$10,000, unless the statutory short form power of attorney contains additional language pursuant to section 5-1503 of the general obligations law authorizing gifts in excess of said amount or gifts to other beneficiaries;] Gifts to a donee shall not exceed in any calendar year the amount of the federal gift tax exclusion available to the principal under section 2503(b) of the Internal Revenue Code. Gifts may be made outright, to a trust established or created for such individual (provided that gifts to such trust qualify for the federal gift tax exclusion under section 2503(b) or (c) of the Internal Revenue Code), to a Uniform Transfers to Minors Act account for such individual (regardless of who is the custodian), or to a tuition savings account or prepaid tuition plan as defined under section 529 of the Internal Revenue Code for the benefit of such individual (without regard to who is the account owner of or responsible person for such account).

b. To make gifts up to twice the annual federal gift tax exclusion amount on behalf of both the principal and the principal's spouse, to the principal's children and other descendants, and parents, if the principal's spouse consents to the splitting of such gifts pursuant to section 2513 of the Internal Revenue Code;

[2]c. To consent, pursuant to [S]section 2513(a) of the United States Internal Revenue Code, to the splitting of gifts made by the principal's spouse to the principal's children and other descendants in any amount, and to the splitting of gifts made by the principal's spouse to any other persons in amounts not exceeding the aggregate annual gift tax exclusions for both spouses under [S]section 2503(b) of said Code (or cognate provisions of any successor statute);

[3]d. To satisfy pledges made to organizations, whether charitable or otherwise, by the principal; and

e. To exercise in favor of another person a presently exercisable general power of

appointment held by the principal.

2. A statutory major gifts rider to a statutory short form power of attorney may contain additional language pursuant to section 5-1503 of the general obligations law authorizing gifts in excess of said amount or gifts to other beneficiaries, or authorizing the agent to create or change rights of survivorship, or to make an original or revised beneficiary designation.

3. The authority granted to an agent under a statutory major gifts rider must also be construed to mean that the principal authorizes the agent:

[4] a. To prepare, execute, consent to on behalf of the principal, and file any return, report, declaration, or other document required by the laws of the United States, or by any state or political subdivision thereof, or by any foreign country or political subdivision thereof, which the agent deems to be desirable or necessary with respect to any gift made under the authority of this section;

[5] b. To execute, acknowledge, seal, and deliver any deed, assignment, agreement, trust agreement, authorization, check, or other instrument which the agent deems useful for the accomplishment of any of the purposes enumerated in this section;

[6] c. To prosecute, defend, submit to arbitration, settle and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any gift transaction or to intervene in any related action or proceeding;

[7] d. To hire, discharge and compensate any attorney, accountant, expert witness, or other assistant or assistants when the agent deems that action to be desirable for the proper execution by the agent of any of the powers described in this section, and for the keeping of needed records thereof; and

[8] e. In general, and in addition to but not in contravention of all the specific acts listed in this section, to do any other act or acts which the agent deems desirable or necessary to complete any such gift on behalf of the principal.

4. Gifts authorized under subdivisions one and two of this section may be made only for purposes which the agent reasonably deems to be in the best interest of the principal, specifically including minimization of income, estate, inheritance, generation-skipping transfer or gift taxes.

5. Unless the major gifts rider otherwise provides, an agent may not exercise authority to create in himself or herself an interest in the principal's property, whether by gift, right of survivorship, beneficiary designation, or otherwise.

6. If, after naming the spouse as a permissible recipient of gifting, the principal is divorced, his or her marriage is annulled or its nullity declared, the divorce, annulment, declaration of nullity or dissolution revokes the authority to gift to the former spouse, unless the major gifts rider expressly provides otherwise. If the authority to gift to the former spouse is revoked solely by this subdivision, it shall be revived by the principal's remarriage to the former spouse.

All powers described in this section 5-1502[M]Q of the general obligations law shall be exercisable equally with respect to a gift of any property in which the principal is interested at the time the power of attorney is given or in which the principal becomes interested after that time, and whether located in the state of New York or elsewhere.

The powers explicitly authorized in the provisions of this section 5-1502[M]Q of the general obligations law shall not be construed to diminish any like powers authorized in any other

section of title 15 of article 5 of the general obligations law. Accordingly, such powers as are authorized in any other section of title 15 of article 5 of the general obligations law shall be construed as if the provisions of this section do not exist.

§ 10. Section 5-1502N of the general obligations law, as added by chapter 499 of the laws of 1996, is renumbered section 5-1502M and the caption and final paragraphs are amended to read as follows:

§ 5-1502[N]M. Construction – tax matters.

The powers explicitly authorized in this section 5-1502[N]M of the general obligations law shall not be construed to diminish any like powers authorized in any like powers authorized in any other section of title 15 of article 5 of the general obligations law, such as, but not limited to, those authorized in subdivision 9 of section 5-1502I of this title. Accordingly, such powers as are authorized in any other section of title 15 of article 5 of the general obligations law shall be construed as if the provisions of this section do not exist.

§ 11. Section 5-1502O of the general obligations law, as amended by chapter 499 of the laws of 1996, is renumbered 5-1502N and amended to read as follows:

§ 5-1502[O]N. Construction--all other matters

In a statutory short form power of attorney, the language conferring general authority with respect to “all other matters” must be construed to mean that the principal authorizes the agent to act as an alter ego of the principal with respect to any and all possible matters and affairs which are not enumerated in sections 5-1502A to 5-1502[N]M, inclusive, of this chapter, and which the principal can do through an agent[, except that such authority shall not include authorization for the agent to make medical or other health care decisions for the principal].

§ 12. Section 5-1503 of the general obligations law, as amended by chapter 499 of the laws of 1996, is amended to read as follows:

§ 5-1503. Modifications of the statutory short form power of attorney and of the statutory major gifts rider

A power of attorney which satisfies the requirements of [subdivision two of section 5-1501 of this chapter or of subdivision six of section 5-1506 of this chapter] paragraphs (a), (b), and (c) of subdivision one of section 5-1501A and section 5-1513 of this title is not prevented from being a “statutory short form power of attorney”, [or a "statutory short form power of attorney effective at a future time".] or a major gifts rider which satisfies the requirements of section 5-1514 of this title as either of these phrases is used in the sections of this title, by the fact that it also contains additional language at the section labeled “special instructions” which:

1. eliminates from the power of attorney or from the major gifts rider one or more of the powers enumerated in one or more of the constructional sections of this title with respect to a subdivision of the statutory short form power of attorney[, or of the statutory short form power of attorney effective at a future time.] or of the statutory major gifts rider, affirmatively chosen by the principal; or
2. supplements one or more of the powers enumerated in one or more of the constructional sections in this title with respect to a subdivision of the statutory short form power of attorney[, or of the statutory short form power of attorney effective at a future time.] or of the statutory major gifts rider, affirmatively chosen by the principal, by specifically listing additional powers of the agent; or
3. makes some additional provision which is not inconsistent with the other provisions of the

statutory short form power of attorney or of the statutory major gifts rider.[; or of the statutory short form power of attorney effective at a future time.]

§ 13. Section 5-1504 of the general obligations law, as amended by chapter 499 of the laws of 1996, is amended to read as follows:

§ 5-1504. Acceptance of statutory short form power of attorney.

[1. As used in this section, the term "financial institution" means each of the following: a bank, trust company, national bank, savings bank, federal mutual savings bank, savings and loan association, federal savings and loan association, federal mutual savings and loan association, credit union, federal credit union, branch of a foreign banking corporation, public pension fund, retirement system.]

[2] 1. No [financial institution] third party located in this state shall refuse, without reasonable cause, to honor a statutory short form power of attorney properly executed in accordance with section [5-1501 or 5-1506] 5-1501B of this title or a statutory short form power of attorney properly executed prior to the effective date of this statute.

(a) Reasonable cause under this subdivision shall include, but not be limited to:

(1) the refusal by the agent to provide an original power of attorney or a copy certified by an attorney pursuant to section 2105 of the civil practice law and rules of the state of New York, or by a court or other government agency;

(2) the third party's good faith referral of the principal and the agent to an adult protective services unit;

(3) actual knowledge of a report having been made by any person to an adult protective services unit alleging physical or financial abuse, neglect, exploitation or abandonment of the principal by the agent;

(4) actual knowledge of the principal's death or a reasonable basis for believing the principal has died;

(5) actual knowledge of the incapacity of the principal or a reasonable basis for believing that the principal is incapacitated where the power of attorney tendered is a nondurable power of attorney;

(6) actual knowledge or a reasonable basis for believing that the principal was incapacitated at the time the power of attorney was executed; or

(7) actual knowledge or a reasonable basis for believing that the power of attorney was wrongfully procured.

(b) It shall be deemed unreasonable for a third party to refuse to honor a statutory short form power of attorney or a statutory short form power of attorney properly executed prior to the effective date of this statute, if the only reason for the refusal is any of the following:

(1) The power of attorney is not on a form prescribed by the third party to whom the power of attorney is presented.

(2) There has been a lapse of time since the execution of the power of attorney.

(3) On the face of the statutory form power of attorney, there is a lapse of time between the date of acknowledgment of the signature of the principal and the date(s) of acknowledgment of the signature of the agent(s).

[3] 2. Except as provided in subdivision three of this section, [T]the failure of a [financial institution] third party to honor a properly executed statutory short form power of attorney or a

statutory short form power of attorney properly executed prior to the effective date of this statute, shall be deemed unlawful, and may result in a special proceeding pursuant to section 5-1510. Such special proceeding shall be the exclusive remedy to compel a third party to honor a power of attorney.

[4] 3. No [financial institution] third party receiving and retaining a properly executed statutory short form power of attorney [properly executed in accordance with section 5-1501 or 5-1506 of this title] or a statutory short form power of attorney properly executed prior to the effective date of this statute, or a complete photostatic copy of the properly executed original thereof nor any officer, agent, attorney-in-fact or employee of such [financial institution] third party shall incur any liability by reason of acting upon the authority thereof unless the [financial institution] third party shall have [actually] received[, at the office where the account is located, written] actual notice of the revocation or termination of such power of attorney. A third party is deemed to have actual notice when the branch or office of the third party where the account is located receives written notice, or when any other branch or office of the third party has had a reasonable opportunity to act upon such notice.

[5] 4. If the application of the provisions of subdivision two or three of this section shall be held invalid to any [financial institution] third party the application of such provisions to any [other financial institution] third party other than those to which it is held invalid, shall not be affected thereby.

5. When the power of attorney is presented to a third party, it shall not be deemed unreasonable for a third party to require the agent to execute an acknowledged affidavit pursuant to this paragraph stating that the power of attorney is in full force. Such an affidavit is conclusive proof to the third party relying on the power of attorney that the power of attorney is valid, and has not been terminated or revoked, except as to any third party who had actual notice that the power of attorney had terminated or been revoked prior to the execution of the affidavit. Such affidavit shall state that:

(a) the agent does not have, at the time of the transaction, actual notice of the termination or revocation of the power of attorney, or notice of any facts indicating that the power of attorney has been terminated or revoked;

(b) if the power of attorney is one which terminates upon the principal's incapacity, the agent does not have, at the time of the transaction actual notice of the principal's incapacity, or notice of any facts indicating the principal's incapacity.

6. Nothing herein shall require the acceptance of a form that is not a statutory short form power of attorney.

§ 14. Sections 5-1505 and 5-1506 of the general obligations law are REPEALED, and ten new sections 5-1505, 5-1506, 5-1507, 5-1508, 5-1509, 5-1510, 5-1511, 5-1512, 5-1513 and 5-1514 are added to read as follows:

§ 5-1505: Standard of care; fiduciary duty; compelling disclosure of record.

1. Standard of care:

(a) In dealing with property of the principal, an agent shall observe the standard of care that would be observed by a prudent person dealing with property of another.

2. Fiduciary duty:

(a) An agent acting under a power of attorney has a fiduciary duty to the principal. The fiduciary duty includes each of the following obligations:

(1) To act in the best interest of the principal and to avoid conflicts of interest.
(2) To keep the principal's property separate and distinct from any other property owned or controlled by the agent. The agent may not transfer the principal's property to himself or herself without specific authorization in the major gifts rider.
(3) To keep a complete record of all receipts, disbursements, and transactions entered into by the agent, or authorized delegate thereof, on behalf of the principal and to make such record available at all times to the principal. The agent shall make such record available within 15 days of a written request by any of the following individuals:

(i) the monitor(s)

(ii) a government entity, or official thereof, acting in the course of an assessment of a complaint of abuse or neglect;

(iii) a court evaluator acting pursuant to section nine of article eighty-one of the New York mental hygiene law in a proceeding alleging that the principal is incapacitated;

(iv) the guardian or conservator of the estate of the principal, if such record has not already been provided to the court evaluator; or

(v) the personal representative of the estate of a deceased principal if such record has not already been provided to the guardian or conservator of the estate of the principal.

The failure of the agent to make the record available pursuant to this paragraph may result in a special proceeding under section 5-1510(1) herein. Such proceeding shall be the exclusive remedy to compel the agent to provide such record.

(4) To provide written notice to the successor agents in the order of their appointment if the agent is unwilling to act.

(b) The agent may be subject to civil liability for conduct or omissions which violate the fiduciary duty.

(c) The agent is not liable to third parties for any act pursuant to a power of attorney if the act was authorized at the time and the act did not violate subdivisions one or two of this section.

§ 5-1506. Compensation.

1. An agent is not entitled to receive compensation for duties performed under a power of attorney unless the principal specifically provides for compensation in the power of attorney.

2. An agent shall be entitled to receive reimbursement for reasonable expenses actually incurred in connection with the performance of the agent's duties.

§ 5-1507. Signature of agent.

1. (a) In any transaction where the agent is acting pursuant to a power of attorney and where the hand-written signature of the agent or principal is required, the agent shall disclose the principal and agent relationship by signing as follows:

(1) "(name of agent) as agent for (name of principal)"; or

(2) "(name of principal) by (name of agent), as agent"; or

(3) any similar written disclosure of the principal and agent relationship.

(b) A third party shall incur no liability for accepting a signature that does not meet the

requirements of this subdivision.

2. When the agent engages in a transaction that purports to be on behalf of the principal, the agent is attesting that:

(a) the agent has actual authority to engage in the transaction;

(b) the agent does not have, at the time of the transaction, actual notice of the termination or revocation of the power of attorney, or notice of any facts indicating that the power of attorney has been terminated or revoked;

(c) if the power of attorney is one which terminates upon the principal's incapacity, the agent does not have, at the time of the transaction actual notice of the principal's incapacity, or notice of any facts indicating the principal's incapacity.

3. The provisions of subdivision (2) are not applicable to any third party who had actual notice that the power of attorney had terminated or been revoked prior to the transaction.

§ 5-1508 Co-agents and successor agents

1. A principal may designate two or more persons to act as co-agents. Unless the principal provides otherwise in the power of attorney, the co-agents must act jointly. However, if prompt action is required to accomplish a purpose of the power of attorney or to avoid irreparable injury to the principal's interest and a co-agent is unavailable because of absence, illness, or other temporary incapacity, the other co-agent(s) may act for the principal. Unless the principal provides otherwise in the power of attorney, if a vacancy occurs because of the death, resignation, or incapacity of a co-agent, the remaining agent(s) may act for the principal. A third party shall incur no liability for acting on the instructions of a co-agent or co-agents pursuing prompt action under this subdivision, where the co-agent(s) execute(s) an acknowledged affidavit explaining the unavailability of the co-agent(s) and the need to take prompt action on behalf of the principal.

2. A principal may designate one or more successor agents to act if every initial or predecessor agent resigns, dies, becomes incapacitated, is not qualified to serve, or declines to serve. Unless the principal provides otherwise in the power of attorney, a successor agent has the same authority as that granted to an initial agent.

§ 5-1509. Appointment of monitor

A principal may appoint a monitor or monitors in the power of attorney who shall have the authority to request, receive, and compel the agent to provide a complete record of all receipts, disbursements, and transactions entered into by the agent on behalf of the principal, and to request and receive such records held by third parties.

§ 5-1510. Civil proceedings.

1. The principal, the monitor, a court evaluator appointed pursuant to section nine of article eighty-one of the mental hygiene law, the guardian or conservator of the estate of the principal, the personal representative of the estate of the deceased principal, or a government entity, or official thereof, acting in the course of an assessment of a complaint of abuse or neglect of the principal may commence a special proceeding to compel the agent to make available a complete record of all receipts, disbursements, and transactions entered into by the agent on behalf of a principal, if the agent has failed to make such record available pursuant to section 5-1505(2)(a)(3) herein.

2. A special proceeding may be commenced pursuant to this section for any of the following additional purposes:

- (a) to determine whether the power of attorney is valid;
 - (b) to determine whether the principal had capacity at the time of execution of the power of attorney:
 - (1) if it is established that the principal was a vulnerable adult at the time the power of attorney was executed, the agent has the burden of proving by clear and convincing evidence that the principal had capacity at the time of execution;
 - (c) to determine whether the power of attorney was wrongfully procured;
 - (1) if it is established that the principal was a vulnerable adult at the time the power of attorney was executed, the agent has the burden of proving by clear and convincing evidence that the agent did not act wrongfully in procuring the power of attorney;
 - (d) to determine whether the agent is entitled to receive compensation or whether the compensation received by the agent is reasonable for the actual responsibilities assumed and performed;
 - (e) to approve the resignation of the agent appointed under a power of attorney where the principal is incapacitated. The agent may commence such a proceeding for reasons including, but not limited to, the following:
 - (1) the agent has reason to believe that there is no designated successor agent or that no designated successor agent is willing or able to act; or
 - (2) in connection with delivery of property belonging to the principal and copies of records concerning the principal's property and affairs to a successor agent or to the principal's legal representative, the agent seeks court recognition of a record of all receipts, disbursements and transactions entered into on behalf of the principal.
 - (f) to compel a third party to honor the power of attorney;
 - (g) to remove the agent upon the grounds that:
 - (1) the agent has violated or is unfit, unable, or unwilling to perform the fiduciary duties under the power of attorney, and
 - (2) at the time of the determination by the court, the principal lacks the capacity to give or to revoke a power of attorney or is a vulnerable adult.
3. In a special proceeding to remove the agent on the grounds that the agent has violated the fiduciary duties under the power of attorney, the agent has the burden of proving by clear and convincing evidence that there has been no fraud or overreaching.
4. A special proceeding may be commenced pursuant to subdivision two of this section by any person identified in subdivision one, the agent, the spouse, child, or parent of the principal, the principal's successor in interest, or any third party who may be required to accept a power of attorney.
5. Upon the approval of the resignation of the agent or the removal of the agent, the court shall determine whether a successor agent has been designated in the power of attorney. If such successor agent is willing and able to assume the duties of an agent pursuant to the power of attorney, the court shall confirm the authority of the successor agent to act as agent. If no successor has been designated or confirmed, the court shall issue any orders necessary to protect the principal's interests.
6. If a power of attorney is suspended or revoked under this section, the agent is removed by the

court, or the court approves the resignation of the agent, the court may require the agent to provide a complete record of all receipts, disbursements and transactions entered into on behalf of the principal and to deliver any property belonging to the principal and copies of records concerning the principal's property and affairs to a successor agent or the principal's legal representative.

§ 5-1511. Termination or revocation of power of attorney; notice.

1. A power of attorney terminates when:

- (a) the principal dies;
- (b) the principal becomes incapacitated, if the power of attorney is not durable;
- (c) the principal revokes the power of attorney;
- (d) the principal revokes the agent's authority or the agent dies, becomes incapacitated, or resigns and the power of attorney does not provide for another agent to act under the power of attorney;
- (e) the purpose of the power of attorney is accomplished; or
- (f) a court order revokes the power of attorney as provided in section 5-1510 of this title or in article eighty-one, section twenty-nine of the New York mental hygiene law.

2. An agent's authority terminates when:

- (a) the principal revokes the agent's authority;
- (b) the agent dies, becomes incapacitated, or resigns;
- (c) the agent's marriage to the principal is terminated by divorce, annulment or declaration of nullity, unless the power of attorney expressly provides otherwise. If the authority of an agent is revoked solely by this subdivision, it shall be revived by the principal's remarriage to the former spouse; or
- (d) the power of attorney terminates.

3. A principal may revoke a power of attorney:

- (a) in accordance with the terms of the power of attorney.
- (b) by causing all executed originals and any copies retained by a third party to be physically destroyed. This paragraph is not subject to limitation in the power of attorney.
- (c) by delivering a written, signed and dated revocation of power of attorney to the agent. The agent must comply with the principal's revocation notwithstanding the actual or perceived incapacity of the principal unless the principal is subject to a guardianship under article eighty-one of the mental hygiene law. This paragraph is not subject to limitation in the power of attorney.

4. Where the power of attorney has been recorded pursuant to section 294 of the New York real property law, the principal shall also record a written revocation pursuant to section 326 of the real property law.

5. Termination of an agent's authority or of the power of attorney is not effective as to any third party who has not received actual notice of the revocation and acts in good faith under the power of attorney. Any action so taken, unless otherwise invalid or unenforceable, shall bind the principal and the principal's successors in interest. A third party is deemed to have actual notice when the office where the account is located receives written notice, or when any other branch or office of the third party has had a reasonable opportunity to act upon such notice.

6. Unless expressly so provided, the subsequent execution of another power of attorney does not revoke a power of attorney. This paragraph is not subject to limitation in the power of attorney.

§ 5-1512. Powers of attorney executed in other jurisdictions.

A power of attorney executed in another state or jurisdiction in compliance with the law of that state or jurisdiction or the law of this state is valid in this state, regardless of whether the principal is a domiciliary of this state.

§ 5-1513. Statutory short form power of attorney.

1. The use of the following form in the creation of a power of attorney is lawful, and, when used, and executed in accordance with subdivision one of section 5-1501B, it shall be construed as a statutory short form power of attorney in accordance with the provisions of this title:

“POWER OF ATTORNEY

NEW YORK STATUTORY SHORT FORM

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the “principal,” you give the person whom you choose (your “agent”) powers to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar powers.

When your agent exercises these powers, he or she must act for your benefit. The “Notice to the Agent” at the end of this document describes your agent’s responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can revoke or terminate your Power of Attorney at any time as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a “Health Care Proxy” to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us and www.assembly.state.ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

DESIGNATION OF AGENT(S):

I, _____, hereby appoint:

name and address of principal

_____ as my agent(s)

name(s) and address(es) of agent(s)

*Agents appointed together above must act together unless you **initial** the statement below.*

() My agents may act SEPARATELY.

DESIGNATION OF SUCCESSOR AGENT(S): (OPTIONAL)

If every agent named above is unable or unwilling to serve, I appoint as my successor agent(s):

Successor agents appointed above must act together unless you *initial* the statement below.

() My successor agents may act SEPARATELY.

This POWER OF ATTORNEY becomes effective when I sign it and shall not be affected by my subsequent incapacity unless I have stated otherwise in the Special Instructions.

REVOCAION OF PRIOR POWERS OF ATTORNEY: (OPTIONAL)

If you want this Power of Attorney to replace any and all prior Powers of Attorney you may have executed, *initial* the statement below. If your prior Power of Attorney has been in active use, you should also provide a copy of this Power of Attorney to your prior agent(s) and to the financial institutions where your accounts are located.

() I hereby revoke any other Power(s) of Attorney executed by me.

GRANT OF POWERS:

To grant your agent some or all of the powers below, either

- (1) Initial the bracket at each power you grant, or
- (2) Write or type the letters for each power you grant on the blank line at (Q), and initial the bracket at (Q). If you initial (Q), you do not need to initial the other lines.

I grant power to my agent(s) with respect to the following subjects as defined in sections 5-1502A through 5-1502O of the New York General Obligations Law:

- () (A) real estate transactions;
- () (B) chattel and goods transactions;
- () (C) bond, share, and commodity transactions;
- () (D) banking transactions;
- () (E) business operating transactions;
- () (F) insurance transactions;
- () (G) estate transactions;
- () (H) claims and litigation;
- () (I) personal and family maintenance;
- () (J) benefits from governmental programs or civil or military service;
- () (K) health care billing and payment matters; records, reports, and statements;
- () (L) retirement benefit transactions;
- () (M) tax matters;
- () (N) all other matters;
- () (O) certain gift transactions and other transfers pursuant to the Major Gifts Rider

accompanying this instrument. The authorization of an agent to make gifts should be supervised by a lawyer.

() (P) full and unqualified authority to my agent(s) to delegate any or all of the foregoing powers to any person or persons whom my agent(s) shall select;

() (Q) EACH of the matters identified by the following letters _____.
You need not initial the other lines if you initial line (Q).

SPECIAL INSTRUCTIONS: (OPTIONAL)

In this section, you may give special instructions limiting or extending the powers granted to your agent.

If you wish to authorize gifts or changes to interests in property, you **must** use the Major Gifts Rider.

DESIGNATION OF MONITOR(S): (OPTIONAL)

I wish to designate _____, whose address(es) is (are) _____, as monitor(s). Upon the request of the monitor(s), my agent(s) must provide the monitor(s) with a record of all transactions done or made on my behalf. Third parties holding records of such transactions must provide the records to the monitor(s).

COMPENSATION OF AGENT(S): (OPTIONAL)

Your agent is entitled to be reimbursed for reasonable **expenses** incurred on your behalf. If you **also** wish your agent(s) to be **compensated** from your assets for services rendered on your behalf, initial the statement below.

() My agent(s) shall be entitled to reasonable compensation for services rendered.

ACCEPTANCE BY THIRD PARTIES: I agree to indemnify the third party for any claims that may arise against the third party because of reliance on this Power of Attorney. I understand that my revocation of this Power of Attorney is not effective as to a third party until the third party has actual notice or knowledge of the revocation.

TERMINATION: This Power of Attorney continues until I revoke it or it is terminated by my death.

The manner in which you may revoke your Power of Attorney is described at section 5-1511 of the General Obligations Law.

SIGNATURE AND ACKNOWLEDGMENT:

In Witness Whereof I have hereunto signed my name on _____, 20 _____.

PRINCIPAL signs here: ==> _____

(acknowledgment)

NOTICE TO THE AGENT:

This Power of Attorney is valid only if the principal is of sound mind when the principal signs it. You are:

- (1) given powers specified in this document to engage in transactions on the principal's behalf during the principal's lifetime;**
- (2) entitled to be reimbursed for reasonable expenses you incur in carrying out your duties;**
- (3) not entitled to use the principal's assets to benefit yourself or to give gifts to yourself or anyone else unless this document specifically gives you that authority;**
- (4) not allowed to create the principal's Last Will and Testament, contract for the principal's marriage or divorce, exercise the principal's governmental voting privileges, or make health care decisions for the principal.**

You have a duty (called a "fiduciary duty") to the principal. Your fiduciary duty requires you to:

- (1) act solely in the best interest of the principal and avoid conflicts of interest between the principal and you or any other person;**
- (2) keep the principal's property separate and distinct from any assets you own or control;**
- (3) keep a complete record of transactions entered into by you or your authorized delegate on the principal's behalf and make the record available in accordance with Section 5-1505 of the New York General Obligations Law; and**
- (4) provide written notice to the principal and to any successor agents if you are unwilling to act.**

If you violate your duty, you may be liable for damages and subject to criminal prosecution.

Agent's signature: When you undertake a transaction that requires the hand-written signature of the principal or the principal's agent, you must disclose your identity as an agent. You can do that by writing or printing the principal's name and signing your own name as "agent" in the following manner: (Principal's Name) by (Your Signature) as Agent.)

The law governing Powers of Attorney is found at the New York General Obligations Law, Article 5, Title 15. If there is anything about this document or your duties that you do not understand, you should seek legal advice.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT:

It is not required that the principal and the agent(s) sign at the same time, nor that multiple agents sign at the same time.

I/we, _____, have read the foregoing Power of

Attorney. I am/we are the person(s) identified therein as agent(s) for the principal named therein.

I/we acknowledge my/our fiduciary duty and acknowledge and accept the provisions of any special instructions contained herein.

Agent(s) sign(s) here: ==> _____

(acknowledgment(s))”

§ 5-1514. Major gifts rider; formal requirements; statutory form.

1. To be valid, a major gifts rider to a power of attorney must:

(a) Be typed or printed using letters which are of clear type no less than twelve point in size, or, if in writing, a reasonable equivalent thereof.

(b) Purport to be signed at the end and dated by a principal with capacity in the presence of two witnesses who are not named as permissible recipients of gifts or other transfers under the rider.

(c) Be accompanied by a properly executed power of attorney granting the power to make major gifts.

2. The use of the following shall be construed as the “Major Gifts Rider” for a statutory short form power of attorney:

**“POWER OF ATTORNEY
NEW YORK STATUTORY MAJOR GIFTS RIDER**

AUTHORIZATION TO MAKE MAJOR GIFTS OR OTHER TRANSFERS

CAUTION TO THE PRINCIPAL: This OPTIONAL rider allows you to authorize your agent to make major gifts or other transfers of your money or other property during your lifetime. Granting any of the following powers to your agent gives your agent the authority to take actions which could significantly reduce your property or change how your property is distributed at your death.

A “major gift or other transfer” includes, but is not limited to: a gift, subject to the limitations of the General Obligations Law and any special instructions in this Major Gifts Rider; creating or changing a beneficiary designation; or creating or changing rights of survivorship.

This Major Gifts Rider and the Power of Attorney it supplements must be read together as a single instrument

Before signing this document authorizing your agent to make major gifts and other transfers, you should seek legal advice to ensure that your intentions are clearly and

properly expressed.

A. GRANT OF POWERS TO MAKE GIFTS

Granting gifting powers to your agent gives your agent the authority to take actions which could significantly reduce your property.

To grant your agent gifting power(s), either

Initial the bracket at each power you are granting, or

Write or type the numbers corresponding to each power you wish to grant on the blank line below, and **initial** the bracket. If you initial this bracket, you do not need to initial the other lines.

I grant power to my agent to make gifts that the agent reasonably deems to be in my best interest, as limited by section 5-1502O(1) of the New York General Obligations Law:

() (1). making gifts to my spouse, children and more remote descendants, and parents, not to exceed, for each donee, the annual federal gift tax exclusion amount pursuant to the Internal Revenue Code. For gifts to my children and more remote descendants, and parents, the maximum amount of the gift to each donee shall not exceed twice the gift tax exclusion amount, if my spouse agrees to split gift treatment pursuant to the Internal Revenue Code.

If you wish to authorize gifts in excess of the above amount or gifts to other beneficiaries pursuant to section 5-1502P(2), provide instructions below in separately numbered powers. Provide a bracket and a number for each additional power you are granting. **Initial** each bracket or write or type the numbers corresponding to each power you wish to grant on the blank line below, and **initial** the bracket. If you initial this bracket, you do not need to initial the other brackets.

I grant the following powers to my agent to make gifts that the agent reasonably deems to be in my best interest:

() EACH of the matters identified by the following numbers: _____.
You need not **initial** the other numbered lines if you **initial** this bracket.

B. SPECIAL INSTRUCTIONS:

In this section, you may specify any additional major gifting powers, guidelines, and limitations, including:

- 1) creating rights of survivorship;
- 2) changing rights of survivorship;
- 3) creating a beneficiary designation;
- 4) adding beneficiaries to a beneficiary designation; or
- 5) changing a beneficiary designation.

Provide a bracket and a number for each power you are granting, and initial each bracket or write or type the numbers corresponding to each power you wish to grant on the blank line below, and initial the bracket. If you initial this bracket, you do not need to initial the other lines.

Granting such powers to your agent gives your agent the authority to take actions which could change how your property is distributed at your death.

I grant the following powers to my agent to make other transfers that the agent reasonably deems to be in my best interest, as limited by section 5-1502O(2) of the general obligations law:

() EACH of the matters identified by the following numbers: _____.
You need not *initial* the other numbered lines if you *initial* this bracket.

C. GRANT OF SPECIFIC AUTHORITY FOR AN AGENT TO MAKE MAJOR GIFTS OR OTHER TRANSFERS TO HIMSELF OR HERSELF: (OPTIONAL)

Provide the name of each agent whom you authorize to make major gifts or other transfers to himself or herself, and any limitations or guidelines, then *initial* the blank to the left of the agent's name.

I grant specific authority for the following agent(s) to make the following major gifts or other transfers to himself or herself:

() _____ name of agent(s), within the following limitations and guidelines (specify):

D. ACCEPTANCE BY THIRD PARTIES: I agree to indemnify the third party for any claims that may arise against the third party because of reliance on this Major Gifts Rider.

E. SIGNATURE OF PRINCIPAL:

In Witness Whereof I have hereunto signed my name on _____, 20__.

Your signature

F. SIGNATURES OF WITNESSES:

By signing as a witness, I acknowledge that the principal signed the Major Gifts Rider in my presence and the presence of the other witness. I also acknowledge that the principal has stated that this Major Gifts Rider reflects his or her wishes and that he or she has signed it voluntarily. I am not named herein as a permissible recipient of major gifts.

Signature of witness 1

Signature of witness 2

Date

Date

Print name

Print name

Address

Address

City, State, Zip code

City, State, Zip code

(Optional) This document prepared by: _____”

§ 16. This act shall apply as follows:

(1) The addition of sections 5-1501(14), 5-1501(15), 5-1501A, 5-1501B, 5-1505(2)(a)(3), 5-1506, 5-1509, 5-1512, 5-1513, and 5-1514 and amendment of sections 5-1502D, 5-1502F, 5-1502I, 5-1502L, 5-1502M, 5-1503 of this act shall apply to all powers of attorney executed on or after the effective date of this act.

(2) The addition of section 5-1510 shall apply to all proceedings concerning powers of attorney commenced on or after the effective date of this act.

(3) The addition of section 5-1510 shall apply to all proceedings concerning powers of attorney commenced before the effective date of this act unless the court determines that application of a particular provision of this section would substantially interfere with the effective conduct of the proceedings or the rights of the parties and other interested persons, in which case the particular provision of section 5-1510 shall not apply and prior law shall apply.

(4) All other additions and amendments to this title shall apply to all powers of attorney executed before, on, or after the effective date of this act.

(5) Nothing in this title as amended affects the validity of a power of attorney executed before the effective date of this act that was valid under prior law.

§ 17. Effective Date

This act shall take effect on the first day of January next succeeding the date on which it shall have become law.