



## UNDERWRITING BULLETIN

**To: All New York State Office  
Counsel, Managers and  
Agents**

**From: Michael P. Miglino No. 09-13**

**Date: August 27, 2009**

**Re: New Power of Attorney Effective  
September 1, 2009**

Effective September 1, 2009, the sections of the General Obligations Law dealing with powers of attorney were extensively amended, creating, among other changes, a new "Statutory Short Form Power of Attorney" (SSFPOA).

This memo is intended to briefly summarize the changes in the law and the new form, and provide underwriting guidelines for insuring titles when a power of attorney is used at the closing. There will be times when these guidelines do not cover your particular situation or where the new law is unclear. In those situations you are expected to call counsel for guidance.

### The New Form

A copy of the new Statutory Short Form Power of Attorney is attached to this memo.

To be a Statutory Short Form Power of Attorney, the exact wording of the form in the statute must be used.

To qualify as a SSFPOA, the form must use the exact wording as set forth in the statute and must be printed in at least 12 point type or its equivalent.

In addition, we have added to our form of the SSFPOA the affidavit of the Agent that the power is in full force and effect. If the POA form you are provided does not have the

affidavit of the agent attached, it still complies with the statute. (See the discussion regarding the required affidavit from the Agent at the end of this bulletin.)

Please note that under a SSFPOA, major gifts (i.e., no consideration transfers) made by the Agent in excess of \$500.00 are prohibited UNLESS a Statutory Major Gifts Rider (SMGR) is executed simultaneously with the SSFPOA, acknowledged by the Principal and signed by two witnesses and is attached to the SSFPOA. To be valid, the SMGR must contain the exact language as provided in the statute. For our purposes, a gift transfer of any interest in real property for which no consideration is paid) is to be considered a gift.

Significant changes to the law are:

1. The parties to the SSFPOA are now called “Principal” and “Agent”. These are now defined terms and it is important that they be used. There should be only one Principal in the power of attorney. There can be more than one Agent on the SSFPOA. However, if there are multiple Agents designated, they MUST act jointly UNLESS the box on the SSFPOA authorizing them to act separately is initialed.
2. Any power of attorney executed in this state, whether it is a SSFPOA or a non-statutory form, must be signed and dated by the Principal and the Agent(s). The signatures of the Principal and Agent must both be acknowledged in the same manner as a deed for recording. However, the fact that the Principal and Agent(s) may not have executed the SSFPOA at the same time will not invalidate an otherwise validly executed the SSFPOA.
3. All powers of attorney, whether it is the SSFPOA or a non-statutory form, when executed in this state, must contain the “Caution to the Principal” (see section (a) of the SSFPOA for the exact language) and “Important Information for the Agent” (as set forth in all of section (n) of the SSFPOA).
4. A power of attorney is durable unless it expressly provides that it is terminated by the incapacity of the principal. The non-durable form has been eliminated.
5. If a SSFPOA is to be non-durable, the principal must provide language to that effect in the “Modifications” section of the SSFPOA. You must review a non-statutory power of attorney to determine if the principal made it non-durable.
6. The execution of a power of attorney automatically revokes all prior powers of attorney, unless it states otherwise. In the SSFPOA, such revocation should appear in the “Modifications” section of the SSFPOA .
7. If prior powers of attorney are not revoked, then you must ascertain Whether the Principal has executed a prior power and if, so, the identity of the attorney(s)-in fact appointed thereunder; that the attorney(s)-in-fact has not acted under such prior power with respect to the subject property. Where a prior power has not been revoked, the execution of the

closing documents must be made by all Agents and attorneys-in-fact under both the current SSFPOA and any prior power of attorney.

8. The SSFPOA cannot be used to make gifts of property valued in excess of \$500 unless section (h) of the SSFPOA is initialed and a Statutory Major Gifts Rider (SMGR), is executed simultaneously with, and made part of, the SSFPOA.
9. Springing powers of attorney, that is, powers of attorney effective at a future date or upon the occurrence of a future event, may still be created. The statute is unclear as to how or where this is designated in a SSFPOA, so the entire SSFPOA must be reviewed to ascertain if the SSFPOA is currently effective.
10. The SSFPOA contains a new concept which allows a Principal to appoint a Monitor who has the authority to request, receive and compel the Agent to provide a record of all receipts, disbursements and transactions entered into by the Agent on behalf of the Principal. The designation of a Monitor by the Principal is optional.
11. The SSFPOA establishes a statutory standard that the Agent has a fiduciary duty to the Principal, which requires the Agent to act in the best interests of the Principal, to segregate the Principal's property from his own, and to keep records of all transactions and make them available to the Principal.

#### Changes in the use of a Power of Attorney

A power of attorney may be executed by an individual in his individual capacity, or in his capacity as a fiduciary or as an official of any legal, governmental or commercial entity.

1. If executed in his capacity as an official of a governmental entity, you must contact Company counsel for guidance. Generally, we would require statutory authority and a resolution authorizing the governmental authority to appoint an Agent under a SSFPOA;
2. If executed in his capacity as a fiduciary of an estate or a trustee of a trust, several factors must be considered before insuring a title based on such a power:
  - a. in the case of a fiduciary of an estate, the powers delegated are limited to only ministerial acts;
  - b. in the case of a trust, we must examine the trust document to determine that the trustee has been given the power to delegate his or her authority, and if so, to what extent, and
  - c. The power must designate the principal in his, her or its fiduciary, and not individual, capacity. If you have concerns in this area, you should contact Company Counsel.

**A power of attorney may be executed by a corporation, partnership, LLC, or other business entity.**

- 1. A corporation, partnership, LLC or other business entity may, as principal, appoint an agent under a power of attorney. Here we would generally require a resolution, consent of the partners or members or other proof acceptable to the Company that the entity has authorized the appointment of an agent to act pursuant to a power of attorney.**

**In addition an officer or other official of that entity may also delegate his or her authority to act by a power of attorney. If we are asked to insure such a transaction, we require that the power must clearly name the principal in his capacity as an official of the entity, and must be signed in the same manner. For example, “John Jones, as President of ABC Corporation” Additionally, we must have proof that the entity has authorized the official to delegate its authority.**

**Pursuant to EPTL section 11-1.4, where multiple fiduciaries are appointed, all such fiduciaries are required to sign the closing documents.**

**Major Gifts, (for underwriting purposes, any gift or transfer of real property where no consideration for the transfer exists), is to be considered a major gift requiring a SMGR.**

- 1. The SGMR must be executed simultaneously with the SSFPOA. Note that in addition to the signature of the principal being acknowledged on the SMGR, the SMGR is also required to be witnessed by two disinterested parties (GOL 5-1514(9));**

**The gift or transaction must be described in detail by the SMGR.**

**A principal may authorize the agent to make major gifts using a non-statutory power of attorney. If the Agent(s) is to be authorized to make major gifts, then the non-statutory power of attorney must be signed and acknowledged by both the Principal and the Agent(s), and the non-statutory power of attorney must also be witnessed by two disinterested individuals.**

**The Agent may not create a trust for the principal, or amend, revoke or terminate an inter vivos trust created by the Principal unless expressly provided for in the SMGR or in a non-statutory power of attorney.**

**The law permits the Agent(s) to transfer property of the principal to the agent. Such authority must be expressly provided for in the SMGR or in the non-statutory power of attorney.**

**If title has passed or will pass from the Principal to the Agent, which transfer was or is to be made using a power of attorney, you must contact Company counsel for further instructions.**

### Execution of Documents

The new statute now has specific guidelines as to how documents executed by the Agent(s) pursuant to a power of attorney are to be signed (GOL 5-1507). The various methods are:

1. Signing “(name of agent) as Agent for (name of Principal)”, or
2. Signing “(name of Principal) by (name of Agent), as Agent”, or
2. Any similar written disclosure of the Principal and Agent relationship. We would require at the very least that the agent sign his/her name (although we prefer the traditional method of execution set forth in Item 2 above).

### General Underwriting Concerns

Despite language in the new statute that appears to limit our ability to refuse to accept the new SSFPOA, you should note that the refusal of a title insurance company to underwrite title insurance for a transfer of real property made pursuant to a major gifts rider or non-statutory power of attorney that does not contain express instructions or purposes of the Principal, is not deemed to be improper or unlawful.

Our underwriting guidelines continue to be:

1. We must be presented with an original or certified copy of the SSFPOA.
2. We must know that the power has not been modified or revoked and will require the form affidavit from the Agent that the Power has not been modified or revoked and remains in full force and effect.
3. If there is a question as to the competency of the Principal, we must know that the Principal was competent when he executed the power.
4. We must be satisfied as to the identity of both the Principal and the Agent by the use of photo ID or other credible evidence of identity.

The form of affidavit satisfying our first two concerns is attached to our form of power of attorney. It must be executed by the Agent(s) at the time of the closing. If the power of attorney form does not have an affidavit attached containing the exact wording of the affidavit on our form of the SSFPOA, then a separate affidavit containing the same wording of the affidavit must be executed.

Notwithstanding the execution of the affidavit by the Agent that the POA is in full force and effect, if you have reason to question the capacity of the Principal or have any other suspicions about the power, contact Company counsel for guidance.

### Other Forms of Power of Attorney

**Other forms of power of attorney may still be used in New York. They fall into four broad categories:**

- 1. A New York Statutory Short Form Power of Attorney executed prior to September 1, 2009, in accordance with the statutory form authorized at the time of its execution is still acceptable with our usual underwriting guidelines.**
- 2. A power of attorney execute prior to September 1, 2009, which, at the time of execution, was not a statutory form. Because it was a non-statutory form at the time of execution, the powers granted must be specifically spelled out for us to accept it.**
- 3. A power of attorney executed outside of New York that is a statutory short form power of attorney of another jurisdiction that in fact complies with the laws of that jurisdiction at the time of execution. In such an instance, it is suggested that you contact Company counsel for further instruction.**
- 4. A power of attorney executed in New York after September 1, 2009, that is not a SSFPOA:**
  - (i) must be executed in the manner of the statutory form, that is, signed and dated by both Principal and Agent, and acknowledged;**
  - (ii) must contain the exact language of the “Caution to the Principal” (as set forth in section (a) of the statutory short form and the exact language of “Important Information for the Agent” (as set forth in all of section (n) of the statutory short form). If it is to be used to make a major gift, it must also be witnessed by two disinterested individuals.**

**Please note that a SSFPOA effective September 1, 2009 signed by the principal prior to that date is not a SSFPOA and may not be used at a closing. On the other hand, a form of SSFPOA that was effective prior to September 1, 2009, and that is signed on or after September 1, 2009 may not be used at a closing.**

**Finally, the State Assembly has passed and the Senate is considering a bill to make technical and other corrections to the new Power of Attorney statute. If adopted and signed into law, there will be changes to both the text of the law and the forms including a correction to a grammatical error in the SSFPOA relating to the revocation of powers. It currently reads “If your are . . .”. The error was not corrected on our form (but noted in a footnote) because it was prepared in strict compliance with the statute.**

**We will monitor the legislation and advise you of changes, if and when made.**

**POWER OF ATTORNEY  
NEW YORK STATUTORY SHORT FORM**

(a) **CAUTION TO THE PRINCIPAL:** Your **POWER OF ATTORNEY** is an important document. As the "**PRINCIPAL**," you give the person whom you choose (your "**AGENT**") authority 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 authority.

When your **AGENT** exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "**IMPORTANT INFORMATION FOR 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 request information from your **AGENT** at any time. If you are revoking a prior **POWER OF ATTORNEY** by executing this **POWER OF ATTORNEY**, you should provide written notice of the revocation to your prior **AGENT(S)** and to the financial institutions where your accounts are located.

You can revoke or terminate your **POWER OF ATTORNEY** at any time for any reason 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](http://www.senate.state.ny.us) or [www.assembly.state.ny.us](http://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.**

(b) **DESIGNATION OF AGENT(S):**

I, .....  
name and address of principal

hereby appoint:

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

as my **AGENT(S)**

If you designate more than one **AGENT** above, they must act together unless you initial the statement below.

( ) My **AGENTS** may act **SEPARATELY**.

(c) **DESIGNATION OF SUCCESSOR AGENT(S): (OPTIONAL)**

If every **AGENT** designated above is unable or unwilling to serve, I appoint as my successor **AGENT(S)**:

.....  
name(s) and address(es) of successor **AGENT(S)**

Successor **AGENTS** designated above must act together unless you initial the statement below.

( ) My successor **AGENTS** may act **SEPARATELY**.

(d) This **POWER OF ATTORNEY** shall not be affected by my subsequent incapacity unless I have stated otherwise below, under "**Modifications**".

(e) This **POWER OF ATTORNEY** **REVOKES** any and all prior **POWERS OF ATTORNEY** executed by me unless I have stated otherwise below, under "**Modifications**."

If your<sup>1</sup> are **NOT** revoking your prior Powers of Attorney, and if you are granting the same authority in two or more Powers of Attorney, you must also indicate under "**Modifications**" whether the **AGENTS** given these powers are to act together or separately.

(f) **GRANT OF AUTHORITY:** To grant your **AGENT** some or all of the authority below, either

(1) Initial the bracket at each authority you grant, or

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

<sup>1</sup> As enacted

**I grant authority to my AGENT(S) with respect to the following subjects as defined in sections 5-1502A through 5-1502N 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) 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) select;
- (P) EACH of the matters identified by the following letters .....  
..... **You need not initial the other lines if you initial line (P).**

**(g) MODIFICATIONS: (OPTIONAL)**

In this section, you may make additional provisions, including language to limit or supplement authority granted to your AGENT. However, you cannot use this Modifications section to grant your AGENT authority to make major gifts or changes to interests in your property. If you wish to grant your AGENT such authority, you MUST complete the Statutory Major Gifts Rider .....

**(h) MAJOR GIFTS AND OTHER TRANSFERS: STATUTORY MAJOR GIFTS RIDER (OPTIONAL)**

In order to authorize your AGENT to make major gifts and other transfers of your property, you must initial the statement below and execute a Statutory Major Gifts Rider at the same time as this instrument. Initialing the statement below by itself does not authorize your AGENT to make major gifts and other transfers. The preparation of the Statutory Major Gifts Rider should be supervised by a lawyer.

(SMGR) I grant my AGENT authority to make major gifts and other transfers of my property, in accordance with the terms and conditions of the Statutory Major Gifts Rider that supplements this Power of Attorney.

**(i) 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 copy of the power of attorney and a record of all transactions done or made on my behalf. Third parties holding records of such transactions shall provide the records to the monitor(s) upon request.

**(j) COMPENSATION OF AGENT(S): (OPTIONAL)**

Your AGENT is entitled to be reimbursed from your assets 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. If you wish to define "reasonable compensation", you may do so above, under "Modifications".

My AGENT(S) shall be entitled to reasonable compensation for services rendered.

**(k) 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 any termination of this POWER OF ATTORNEY, whether the result of my revocation of the POWER OF ATTORNEY or otherwise, is not effective as to a third party until the third party has actual notice or knowledge of the termination.

**(l) TERMINATION:** This POWER OF ATTORNEY continues until I revoke it or it is terminated by my death or other event described in section 5-1511 of the General Obligations Law. Section 5-1511 of the General Obligations Law describes the manner in which you may revoke your POWER OF ATTORNEY, and the events which terminate the POWER OF ATTORNEY.

**(m) SIGNATURE AND ACKNOWLEDGMENT:**

**IN WITNESS WHEREOF I have hereunto signed my name on** \_\_\_\_\_, 20

**PRINCIPAL signs here: ==>** .....

STATE OF NEW YORK, COUNTY OF \_\_\_\_\_ } ss.:  
On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Public – Sign Above and Affix Stamp

(n) IMPORTANT INFORMATION FOR THE AGENT:

When you accept the authority granted under this POWER OF ATTORNEY, a special legal relationship is created between you and the PRINCIPAL. This relationship imposes on you legal responsibilities that continue until you resign or the POWER OF ATTORNEY is terminated or revoked. You must:

- (1) act according to any instructions from the PRINCIPAL, or, where there are no instructions, in the PRINCIPAL’S best interest;
- (2) avoid conflicts that would impair your ability to act in the PRINCIPAL’S best interest;
- (3) keep the PRINCIPAL’S property separate and distinct from any assets you own or control, unless otherwise permitted by law;
- (4) keep a record or all receipts, payments, and transactions conducted for the PRINCIPAL; and
- (5) disclose your identity as an AGENT whenever you act for the PRINCIPAL by writing or printing the PRINCIPAL’S name and signing your own name as "AGENT" in either of the following manner: (PRINCIPAL’S Name) by (Your Signature) as AGENT, or (your signature) as AGENT for (PRINCIPAL’S Name).

You may not use the PRINCIPAL’S assets to benefit yourself or give major gifts to yourself or anyone else unless the PRINCIPAL has specifically granted you that authority in this POWER OF ATTORNEY or in a Statutory Major Gifts Rider attached to this POWER OF ATTORNEY. If you have that authority, you must act according to any instructions of the PRINCIPAL or, where there are no such instructions, in the PRINCIPAL’S best interest. You may resign by giving written notice to the PRINCIPAL and to any co-AGENT, successor AGENT, monitor if one has been named in this document, or the PRINCIPAL’S guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

LIABILITY OF AGENT:

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the POWER OF ATTORNEY, you may be liable under the law for your violation.

(o) 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 legal responsibilities.

AGENT(S) sign(s) here: ==>.....

**General Obligations Law § 5-1501B requires that this instrument be acknowledged by the Agent(s).**

STATE OF NEW YORK, COUNTY OF \_\_\_\_\_ } ss.:  
On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
Notary Public – Sign Above and Affix Stamp

**AFFIDAVIT OF EFFECTIVENESS © {TO BE COMPLETED BY AGENT(S) UPON DELIVERY OF THIS POWER}**

**STATE OF NEW YORK, COUNTY OF**

**{ SS.:**

....., residing at  
.....(each) being duly sworn do(es) depose and say that I am (we are)  
the Agent(s) under the above Power of Attorney and that the power of attorney is in full force and effect. That (a) I/we do 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) I/we do not have, at the time of the transaction, actual notice that the Power of Attorney has been  
modified in any way that would affect the ability of the AGENT to authorize or engage in the transaction, or notice of any facts indicating that  
the Power of Attorney has been so modified; and (c) if I/we was/were named as successor Agent(s), the prior Agent(s) is no longer able or  
willing to serve. This affidavit is given for the purpose of the Agent executing

a ..... [describe documents that are executed]  
knowing that ..... will rely upon the representations made herein as  
inducement to accept such instrument(s) and this Power of Attorney as evidence of my/our authority to act.

.....  
Agent

.....  
Agent

Sworn to and Subscribed before me  
this      day of      ,

(Notary Sign above and Affix Stamp)

**Statutory Power of Attorney**

(Pursuant to General Obligations Law § 5-1513)

TITLE NO. \_\_\_\_\_

TO

DISTRICT:

SECTION:

BLOCK:

LOT:

COUNTY OR TOWN:

RECORDED AT THE REQUEST OF  
**RETURN BY MAIL TO:**

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

**DISTRIBUTED BY  
CHICAGO TITLE INSURANCE COMPANY**

**CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT – THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY**

**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 authority 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. "Major gifts or other transfers" are described in section 5-1514 of the General Obligations Law. This Major Gifts Rider does not require your **AGENT** to exercise granted authority, but when he or she exercises this authority, he or she must act according to any instructions you provide, or otherwise in your best interest.

**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 LIMITED AUTHORITY TO MAKE GIFTS**

Granting gifting authority to your **AGENT** gives your **AGENT** the authority to take actions which could significantly reduce your property.

If you wish to allow your **AGENT** to make gifts to himself or herself, you must separately grant that authority in subdivision (c) below.

To grant your **AGENT** the gifting authority provided below, initial the bracket to the left of the authority.

( ) I grant authority to my **AGENT** to make 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.

This authority must be exercised pursuant to my instructions, or otherwise for purposes which the **AGENT** reasonably deems to be in my best interest.

**(b) MODIFICATIONS:**

Use this section if you wish to authorize gifts in excess of the above amount, gifts to other beneficiaries or other types of transfers. Granting such authority to your **AGENT** gives your **AGENT** the authority to take actions which could significantly reduce your property and/or change how your property is distributed at your death. If you wish to authorize your **AGENT** to make gifts or transfers to himself or herself, you must separately grant that authority in subdivision (c) below.

( ) I grant the following authority to my **AGENT** to make gifts or transfers pursuant to my instructions, or otherwise for purposes which the **AGENT** reasonably deems to be in my best interest.

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

If you wish to authorize your **AGENT** to make gifts or transfers to himself or herself, you must grant that authority in this section, indicating to which **AGENT(s)** the authorization is granted, and any limitations and guidelines.

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

This authority must be exercised pursuant to my instructions, or otherwise for purposes which the AGENT reasonably deems to be in my best interest.

(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 AND ACKNOWLEDGMENT:

IN WITNESS WHEREOF I have hereunto signed my name on \_\_\_\_\_, 20\_\_\_\_\_.

PRINCIPAL signs here:.....

*General Obligations Law § 5-1514 requires that this instrument be acknowledged by the principal.*

STATE OF NEW YORK, COUNTY OF \_\_\_\_\_ } ss.:

On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

**Notary Public – Sign Above and Affix Stamp**

(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, or that the principal acknowledged to me that the PRINCIPAL'S signature was affixed by him or her or at his or her direction. 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

(g) This document prepared by .....