

# Power of Attorney and your account

It is a common financial planning strategy for investors to have a Power of Attorney (POA). It is important to us, at Wells Fargo Advisors, to provide you information regarding POAs and the process related to a POA applied to your account. The information here includes a brief overview of POAs and our process.

## What is a POA?

A POA is a legal document in which you, the Principal, authorize someone to act as your Agent or Attorney-in-Fact for purposes of making financial or legal decisions. A POA allows for a smooth transition of decision making to your Agent should you become unable to do so. However, a POA may also be used when you are capable of making decisions, but would rather your Agent do so for convenience.

POA statutory requirements differ by state and POAs drafted by attorneys may vary in complexity. However, by addressing the following matters, you can help ensure that your Agent acts in accordance with your intentions with respect to your account.

## Definitions

**Power of Attorney (POA)**—a legal document in which one individual (the Principal) designates another individual (the Agent) authority to act on his behalf

**Attorney-In-Fact (Agent)**—the individual who is authorized to act on behalf of the Principal

**Principal**—the account owner or individual conveying the authority

**Durable**—a durable POA remains valid after the Principal is incapacitated

An individual who is not of sound mind (incapacitated) cannot legally enter into a contract, such as signing a POA. Accordingly, Wells Fargo Advisors may request a physician's statement that assesses the Principal's mental capacity if we have information that indicates the Principal may have been incapacitated at the time the POA was signed. A notary stamp does not necessarily indicate the Principal's mental capacity.

## Reviewing the POA

In order for your Agent to begin making decisions with respect to your account, Wells Fargo Advisors must review your POA to confirm that it is effective and to confirm the scope of your Agent's authority on your account at Wells Fargo Advisors. It is important that you contact your financial advisor (FA) to check that your POA has been applied to your account and that your Agent may begin providing instructions on your account.

**POA Effectiveness**—If your POA is not "durable," then your Agent cannot act for you in the event of your incapacity. Generally, Wells Fargo Advisors requires all POAs to be durable in order to be applied to Wells Fargo Advisors accounts. Most POAs will clearly identify whether they are durable and the conditions which trigger either the enactment or dissolution of the Agent's authority.

**Scope of Agent's authority**—The following table includes examples of authorities a Principal may provide to an Agent in a POA relevant to brokerage accounts. Both inclusive and exclusive language should be noted. For example, a POA may specifically state that the Agent does not have the authority to purchase or sell securities in a brokerage account.

### Investment and Insurance Products are:

- Not Insured by the FDIC or Any Federal Government Agency
- Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate
- Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested

# Elements in a POA relevant to accounts

<b>Security transactions</b>	The POA instrument may include language authorizing the Agent to engage in securities transactions that is similar to the following: “to buy, sell, tender, exchange, exercise or trade in stocks, bonds and any other securities ...”
<b>Sign documents</b>	The POA instrument may include language authorizing the Agent to sign documents.
<b>Asset distribution</b>	The POA instrument may include language authorizing the Agent to engage in specific types of distributions including the authority to make gifts, including gifts to the Agent.
<b>Check writing</b>	The POA instrument may authorize the Agent to “sign checks” or “write checks”.

## Revoking your POA

A competent person may revoke a POA at any time. Note that state requirements for a legal revocation of a POA vary. Once the POA is revoked, send copies of the revocation to your Agent and to any person, office, and bank or brokerage firm in possession of your POA Agent. If you do not contact the people and businesses that have your POA, they will not know that you have revoked the POA and your Agent may still be able to act on your behalf.

## POA termination

POAs automatically end when the principal dies. Additionally, if you designate your spouse as a POA agent, the POA may terminate if there is a change in your marital status. Again, different states have their own requirements regarding divorce, separation, or annulment and revocation of a POA.

## Work with a legal advisor

You should seek legal counsel who can assist in preparing a POA that is appropriate for you. Your legal counsel can also provide guidance on revoking your POA. Note that Wells Fargo Advisors cannot provide legal or tax advice.

## Talk to Wells Fargo Advisors

Having an effective plan for your future is one of the most important things you can do for your family. We look forward to working with you to help assure your financial future at Wells Fargo Advisors.

## With you every step of the way

Everyone has a different vision of retirement that requires a unique financial strategy. Wells Fargo Advisors can support you in your financial planning process by providing the guidance needed to make better, more informed choices. We will meet with you and help create a comprehensive plan that takes into account your complete financial picture. Your FA will be with you every step of the way to monitor your progress and adapt your plan as needed. Working together, we'll design and implement a plan that can help you live out your unique vision of retirement.

## Quick POA tips

- Those named as Agents in the power of attorney document should have a copy of and access to the original.
- Consider choosing an attorney or other professional to act as your Agent to manage your estate if you lack a trusted individual with time and expertise.
- Once you have executed the appropriate POA, review it periodically to ensure it remains up-to-date given any significant life events (births, deaths, divorces, etc.).