§ 5-1502F. Construction--insurance transactions. In a statutory short form power of attorney, the language conferring general authority with respect to "insurance transactions," must be construed to mean that the principal authorizes the agent:

1. To continue, to pay the premium or assessment on, to modify, to rescind, to release or to terminate any contract of life, accident, health, disability or liability insurance or any combination of such insurance procured by or on behalf of the principal prior to the creation of the agency which insures either the principal or any other person, without regard to whether the principal is or is not a beneficiary thereunder; provided, however, with respect to life insurance contracts existing at the creation of the agency, the authority granted hereby shall not include the power to add, delete or otherwise change the designation of beneficiaries in effect for any such contract, unless the authority to make such additions, deletions or changes is stated otherwise in the "Modifications" section of a statutory short form power of attorney or in a non-statutory power of attorney signed and dated by the principal with the signature of the principal duly acknowledged in the manner prescribed for the acknowledgment of a conveyance of real property, and which is executed pursuant to the requirements of section 5-1501B of this title;

2. To procure new, different or additional contracts of insurance 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, to release or to terminate, any contract so procured by the agent;

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 an 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; provided, however, that the authority granted hereby shall not include the power to add, delete or otherwise change the designation of beneficiaries in effect for any such contract, unless the authority to make such additions, deletions or changes is expressly stated otherwise in the "Modifications" section of a statutory short form power of attorney or in a non-statutory power of attorney signed and dated by the principal with the signature of the principal duly acknowledged in the manner prescribed for the acknowledgment of a conveyance of real property, and which is executed pursuant to the requirements of section 5-1501B of this title;

4. To demand, to receive, to obtain by action, proceeding or otherwise, any money, dividend, or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any contract of insurance or of one or more of the transactions enumerated in this section, to conserve, to invest, to disburse or to utilize anything so received for purposes 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. To apply for and to procure any available governmental aid in the guaranteeing or paying of premiums of any contract of insurance on the life of the principal;

6. To sell, to assign, to hypothecate, to borrow upon, or to pledge the interest of the principal in any contract of insurance;

7. To pay, from such proceeds or otherwise, to compromise or to contest, and to apply for refunds in connection with, any tax or assessment levied by a taxing authority with respect to any contract of insurance or the proceeds thereof or liability accruing by reason of such tax or assessment;

8. To agree and to contract, in any manner, and with any person and on any terms, which the agent may select for the accomplishment of any of

the purposes enumerated in this section, and to perform, to rescind, to reform, to release or to modify any such agreement or contract;

9. To execute, to acknowledge, to seal and to deliver any consent, demand, request, application, agreement, indemnity, authorization, assignment, pledge, notice, check, receipt, waiver or other instrument which the agent may think useful for the accomplishment of any of the purposes enumerated in this section;

10. To continue, to procure, to pay the premium or assessment on, to modify, to rescind, to release, to terminate or otherwise to deal with any contract of insurance, other than those enumerated in subdivisions one or two of this section, whether fire, marine, burglary, compensation, disability, liability, hurricane, casualty, or other type, or any combination of insurance, to do any act or acts with respect to any such contract or with respect to its proceeds or enforcement which the agent thinks to be desirable or necessary for the promotion or protection of the interests of the principal;

11. To prosecute, to defend, to submit to alternative 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 insurance transaction or to intervene in any action or proceeding relating thereto;

12. 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

13. 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 procuring, supervising, managing, modifying, enforcing and terminating contracts of insurance in which the principal is the insured or is otherwise in any way interested.

All powers described in this section 5-1502F of the general obligations law shall be exercisable with respect to any contract of insurance in which the principal is in any way interested, whether made in the state of New York or elsewhere.