

Step-by-step Instructions with Notes to Guide You

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Updated: 05/15/2023 09:16 AM ET | Story Name: 10b5-1 Checklist

Step-by-step instructions with notes to guide you

Use the checklist below to help evaluate whether and how a 10b5-1 plan may help your executive client.

Contact Executive Services if you have questions or need clarification.

314-875-2430

Step 1: Obtain the necessary background information

- Client's Name
- Company Name
- Position or Relationship to Company
- Client's Stock, Option and Restricted Stock Position in Company Stock

Your Notes and Reminders

This may be your first opportunity to determine whether the Client is subject to Rule 144 restrictions and filing requirements.

- Discuss the Client's objectives with the Client. What is the client looking to do? Sell Company stock? Buy additional Company stock?
- Ask if the client has ever established a plan in the past?
- Does the Company have an Insider Trading Policy? If so, request a copy.

Caution

Make sure the Client checks with the Company to be sure that the Company policies allow 10b5-1 plans and the plan can be established at Wells Fargo.

- Determine the Company's Trading Window Schedule

Remember

The Plan must be established during an open trading window. Be aware of potential time constraints to fully meet your client's needs.

Step 2: Educate yourself and your client

- Review the Rule 10b5-1 story.
- Provide your client a copy of the report, Considerations for a 10b5-1 Trading Plan (PDF)

Step 3: Developing the 10b5-1 plan

- All 10b5-1 plans must be initiated through the Executive Services team by submitting a completed [10b5-1 Trading Plan Request Form \(584004\) \(PDF\)](#) to executiveservices@wellsfargoadvisors.com.
- **Note:** 10b5-1 plans are not written for stocks trading below \$2.00 per share and enhanced review may be required for OTC stocks.

Your Notes and Reminders

Use of the approved form is **mandatory**. Flexibility can be built in to the trade instructions

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- Discuss the client's objectives (as developed in Step 1 above) with Executive Services to obtain appropriate set-up of the plan. Executive Services will assist you in drafting manageable trading guidelines and instructions.
 - Review the plan with your Client.
 - The Executive Services team will produce the initial draft of the 10b5-1 plan and will forward to you for review with your client.
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prepared by the Executive Services team.

Remember

Try to keep trading guidelines relatively simple and concise. Complicated sales instructions may require constant tracking of the stock price or other triggering events by you.

Step 4: Company review and development of final plan documents

- Instruct client to take the draft of the 10b5-1 Plan to the Company's corporate counsel for review and approval.
- Review Company comments and proposed revisions with Executive Services (The firm does not like "style" changes or any changes to our base plan).
- Executive Services will produce the final 10b5-1 Plan and send it to the Financial Advisor.

Your Notes and Reminders

- Do not write long-term plans
- Do not include all equity in one plan
- Do not encourage plan amendments or terminations

Step 5: Plan execution and implementation

- Obtain Client's Signature and Issuer's signature on the final 10b5-1 Plan along with any required Third Party Authorizations.
- Obtain your branch manager or qualified supervisor's signature.
- Email a copy of fully-executed Plan documents and supporting paperwork to Executive Services.
- Return a fully executed copy of plan to client and retain original for your file.

Your Notes and Reminders

- The email address for Executive Services is executiveservices@wellsfargo.com

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- You will be required to enter trades and confirm trade details to client/issuer as soon as possible so they can meet their 48 hour filing requirement.

- Sample language for e-mail confirmations to the Client is available from Executive Services.

Other Considerations and Things to Remember

- All trading volume restrictions and reporting requirements still apply; 10b5-1 Plans do not alter these existing rules.
- All applicable filings (Rule 144, Form 4, etc.) must still be made.

Your Notes and Reminders

WFA will be responsible for Rule 144 filings, while the Client or designated company representative will handle Form 4 filings.

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- The Plan must be executed as specified in the Plan documents and without influence from the Client following implementation.

Caution

Undue influence by the Client or material modifications of the Plan following its execution may result in the loss of any affirmative defense to insider trading.

- The trades in the Plan will be administered at the Branch level.
 - You will want to establish a back-up to insure trades are processed as specified in the Plan in the event of your absence.
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CAR-0222-03870

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