I DON’T NEED A “POWER OF ATTORNEY” I AM TOO YOUNG!

Often it is thought a “Power of Attorney” is not needed until you reach your elder years. No-one expects to lose the capacity to manage their own affairs and often feel that a trusted relative or friend will look after their needs if something does happen.

Serious injury and illness can happen at any age and may lose the ability to write? There are situations which require legal authority for someone to act on your behalf if you lose the capacity yourself, and unless you have a Power of Attorney a relative or friend may not be able to help.

A “Power of Attorney” is a document you sign to appoint another person/s to act on your behalf to handle your financial affairs such as accessing your bank account to pay bills, updating your investments or attending to business needs when you have lost the ability yourself. The Power of Attorney states what the attorney is authorised to do which can be quite specific or as general as you wish. It lasts as long as you wish ie while you are overseas. By law, a Power of Attorney ceases to operate if you lose the capacity to make decisions or when you die. The unforseen can happen and once you lose the capacity it is too late.

“Enduring Power of Attorney” - What happens if you lose the capacity to make decisions about your finances? If you want your attorney to act on your behalf after you lose the capacity to make decisions you need an enduring Power of Attorney. An enduring Power of Attorney gives the attorney power to act after you lose the capacity to make decisions. Your attorney/s must accept the appointment before it can come into effect, your signature is witnessed by a prescribed person and must certify you understand what you are signing.

Real estate - If you want your attorney to sell or deal with your property in some way it is a requirement the Power of Attorney is registered with the Department of Lands.

Without a Power of Attorney your assets may need to be managed by a NSW Government office ie Protective Commissioner or by the courts such cost can be significant, your Solicitor can tell you more. The next article will be on “Enduring Guardianships”.