



By Ashley B. Han

The Top 5 Things You Need to Know About Powers of Attorney

“... To maintain control and ensure your wishes are followed are the reasons you do estate planning; that’s why it’s important to ensure those wishes are known properly. The only way to do that is with a fully coordinated estate plan written by an estate planning attorney ...”

“... While it’s on your mind, why not get your Powers of Attorney done (or updated) now? ...”

1. Powers of Attorney are ESSENTIAL to your estate plan

A common misconception is that estate planning only covers where your assets go when you die. Powers of Attorney are key to estate planning because they allow someone to make financial and healthcare decisions for you while you are still alive. A Power of Attorney appoints a person as an Agent to make decisions for the person signing. It is important to have both a financial and a healthcare Power of Attorney. Powers of Attorney can be broad or narrow; they can allow an Agent to act with respect to one type of transaction or cover several types of actions. You may choose one person to handle your business in an emergency and someone else to handle your personal affairs.

2. Powers of Attorney need to be updated regularly

In 2014, the Pennsylvania legislature enacted Act 95, which required that financial Powers of Attorney be notarized and witnessed by two people. Financial Powers of Attorney must also include a state-required Notice as the first page. If you have a financial Power of Attorney that was signed prior to the new law, there is a good probability that it will not be accepted by all financial institutions. Further, although several financial institutions have their own forms, those forms will not be accepted everywhere. Signing a Power of Attorney that complies with the current law and can be accepted at any financial institution is recommended. Your Power of Attorney should be reviewed and updated regularly.

3. Your spouse is not automatically your Agent

Choosing who will be your Agent is one of the most important decisions you will make with respect to your Powers of Attorney. Despite what many people believe, your spouse is not automatically your Agent. Serving as someone’s Agent under their Power of Attorney can be a job; it is not necessarily an honor. Important traits for Agents are organizational ability, responsibility, and availability. First and foremost, your Agent must be someone you trust. It is possible and often advisable to name more than one Agent. Agents can be authorized to act jointly and also individually, allowing for flexibility if one of the Agents is unavailable.

4. Not having a Power of Attorney will cost you time and money

If you have not executed Powers of Attorney and you become incapacitated, a court will appoint a guardian to handle your affairs. Guardianship proceedings can be expensive and time-consuming, and the court may end up appointing a person whom you would not have chosen. Planning in advance will save your loved ones time and money and make your wishes known.

Even if you do not become incapacitated but are in a situation where you need someone to access your bank account – consider the college student studying abroad who loses their wallet – a properly executed Power of Attorney will allow a trusted Agent to help you.

5. Your Agent needs to know where your Powers of Attorney are located

Communicating with your Agent the location of your Powers of Attorney and providing them with a copy of your Powers of Attorney is key to ensuring that you and your needs are cared for in the event of a crisis. We advise keeping your original Powers of Attorney in a safe place that is accessible and known to your Agent. It is also a good idea to provide your Agent with a copy of your Powers of Attorney and to discuss with them the powers it contains. As with all aspects of Estate Planning, thorough and thoughtful preparation will ensure the success of your plan and make difficult times easier for those you love.

While it’s on your mind, why not get your Powers of Attorney done (or updated) now?

At HighPoint Law Offices we prepare complete Power of Attorney packages so you know that the helpers you want can take care of your affairs without the need for a costly court hearing. Call our office today 215-997-9773, to get your critical documents in place.



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