



LIGHTHOUSE LAWGROUP

WHAT IS A POWER OF ATTORNEY?

A Power of Attorney is a legal document that allows you to appoint someone (who will be called your Attorney) to handle your financial and legal affairs while you are alive.

WHY YOU NEED A POWER OF ATTORNEY?

If you are planning an overseas holiday your Attorney can be authorised to pay your bills and manage your other financial affairs. You may decide you no longer want the burden of managing your finances and legal matters while you enjoy your retirement.

A Power of Attorney can be drafted to meet your specific needs, whether that means it will be in operation for a specific period of time or for a specific purpose or even indefinitely.

WHO SHOULD I APPOINT AS MY ATTORNEY?

As your Attorney is able to enter into legal and financial agreements, assume debt and dispose of assets on your behalf, it is vital that your Attorney understands your wishes and can be trusted to act them out.

People often appoint their adult children, spouse, de facto partner or siblings to act as their Attorney. While it is not necessary to appoint a family member, it is important that the person you do appoint can be trusted and has business or financial skills to manage your affairs.

WHAT TYPE OF POWER OF ATTORNEY DO I NEED?

There are two types of Powers of Attorney, an Ordinary Power of Attorney and an Enduring Power of Attorney.

An ordinary Power of Attorney is only effective while you continue to have the mental ability to make decisions for yourself. That is, you still understand the nature and effect of your actions. An ordinary Power of Attorney is most useful where you will be overseas or unable to attend to important business or financial matters during a specific period of time.

An Enduring Power of Attorney continues to operate even when you no longer have the mental capacity to manage your own affairs. While it is good for everyone to have an Enduring Power of Attorney, it is particularly important for elderly people to consider this particular Power of Attorney.

WHAT ARE THE LIMITS OF A POWER OF ATTORNEY?

It is important to remember that a Power of Attorney ceases to have any effect when you die and does not give the Attorney any authority to make decisions about your lifestyle, medical treatment or ongoing welfare.

HOW DO I MAKE A POWER OF ATTORNEY?

A Power of Attorney can be made by signing a “generic” form in front of a solicitor, barrister, Court Registrar, licensed conveyancer or employee of the NSW Trustee and Guardian. However, at Lighthouse Law Group we understand that a “generic” form cannot take into consideration your unique personal circumstances so our team of solicitors will help tailor a Power of Attorney to suit you.

WHERE DO I KEEP MY POWER OF ATTORNEY?

It is important to keep your Power of Attorney in a safe place that can be easily accessed in the event that you need it. At Lighthouse Law Group we offer a complimentary service to our clients where we store your important documents in our safe custody cabinets, with you being able to access them at any time (during business hours) at no extra cost.

WHAT NEXT?

If you think this applies to you, contact our office to discuss how a Power of Attorney can be tailored to suit your personal situation.