

## UNDERSTANDING YOUR POWER OF ATTORNEY

A **Power of Attorney** (POA) is a document which allows you to give another person the authority to perform acts on your behalf. You are legally bound by any acts performed by the other person if those acts are authorized in the Power of Attorney, so you must exercise caution to make sure that your agent is someone you trust.

A **General Power of Attorney** (GPOA), while sometimes helpful, can be extremely dangerous. A GPOA gives someone else the legal authority to do almost *anything* that you could do, and the potential for abuse by one's agent is very high. For example, with a GPOA, your agent can sell your car, borrow money that you must repay, rent or purchase property in your name and with your money, or remove ALL funds from your bank account.

A **Special Power of Attorney** (SPOA), or a Special Power of Attorney, gives someone else the legal authority to perform specific tasks on your behalf, such as registering your car or selling specifically listed property.

### **\*\*IMPORTANT CONSIDERATIONS BEFORE GRANTING SOMEONE A POA\*\***

- Always limit the power you give away to only that necessary to accomplish your needs. If you only need someone to perform specific tasks (e.g. enter into a lease agreement on your behalf), it is recommended that you get a *Special* Power of Attorney (SPOA) for only the specific tasks needed.
- Limit the duration of your Power of Attorney to no longer than one year, or no longer than the amount of time you will be deployed or absent.

### **\*\*IMPORTANT INFORMATION ABOUT YOUR POA\*\***

- No individual or business/organization is ever legally required to accept a Power of Attorney (even a military Power of Attorney), regardless of the legality or validity of the Power of Attorney.
- In some cases, certain businesses (banks and other financial institutions) will only accept a Special Power of Attorney to fulfill specific standards and requirements. Many institutions have their own Power of Attorney form, so it is crucial that you make sure your POA meets the specific standards of the individuals and/or businesses with which your agent will do business.
- Your appointee or agent **MUST** have the **ORIGINAL** Power of Attorney; you should keep a copy for your records.

### **\*\*REVOCATION/CANCELLATION OF YOUR POA\*\***

- If you want to revoke, cancel, or terminate a Power of Attorney before it expires, you must sign and notarize a **Revocation of Power of Attorney** and provide a copy to any person you believe has dealt or will possibly deal with your agent. Because it is difficult, if not impossible, to provide a copy of the revocation to every possible third party who has relied upon or might rely upon the previously granted POA, the difficulty of revocation is one of the inherent dangers in granting a POA.
- In addition to providing a copy of the revocation to all foreseeable parties with whom your agent has dealt, the following steps are also recommended for your protection:
  - Sending a true copy of the revocation to the grantee using a means that gives the grantor a receipt (registered or certified mail, return receipt requested).
  - Recording a revocation in the counties in which the power was executed, in which your agent resides, and in which the power may be used;
  - Publishing notice in the newspapers in the same counties as above that the grantor has revoked the power.