

# Financial Powers of Attorney

## What is a Financial Power of Attorney?



Through a financial power of attorney, you (the principal) may delegate authority to another person (your agent) to make decisions regarding your finances and property. If a power of attorney is durable, the agent can make decisions for the principal even if the principal becomes incapacitated. In Maine, a financial power of attorney is presumed to be durable which means it will still work if you don't have capacity.

## What authority does an agent have?



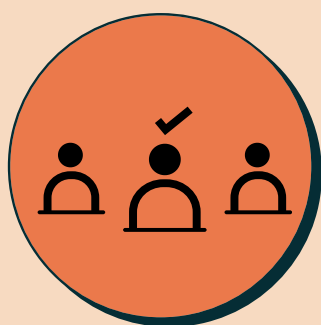
You may give your agent general or limited authority. If you give a general power of attorney, you are granting your agent broad authority to act on your behalf. You can also choose to give only a very limited power of attorney, perhaps by authorizing one or a few transactions, or by authorizing only a specific type of transaction. In either case, the agent must follow your wishes and, if your wishes are not known, do what is in your best interest.

## When does an agent's authority become effective?



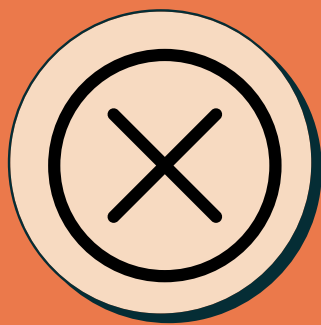
As the principal, you can choose when your agent's authority will take effect. Powers can be effective immediately, or one may give a "springing" power of attorney that becomes effective upon the occurrence of a future event, typically the incapacity of the principal as documented by a letter from a physician.

## How do I choose an agent?



There are many factors to consider when deciding who to designate as your agent, including: the potential agent's ability to responsibly handle finances; willingness to serve as your agent; geographic proximity; and availability, trustworthiness, and loyalty to you. Once you have identified a potential agent, you should discuss your intentions with that person and be sure that he or she is willing to serve as your agent. You should also consider naming at least one alternate agent in case your initial agent is unable to serve.

## Can I revoke a Financial Power of Attorney?



Granting an agent the authority to act on your behalf does not take away your right to act for yourself. Only a court can take away your rights to manage your own affairs. By executing a power of attorney, you are simply authorizing another person to act for you, and as long as you are competent, you can revoke any financial power of attorney you have previously given.

## What if I do not have a Financial Power of Attorney and I become incapacitated?



If you are unable to manage your own financial affairs, it may be necessary for your spouse, a child, or a friend to petition the Probate Court to be appointed as your conservator. This process takes several weeks, at least, and it can be very expensive. Moreover, the judge may not choose the same person you would have chosen to manage your affairs.