

## CONSIDER THE POWER OF ATTORNEY AS YOUR “PERSONAL DECISION INSURANCE”

For many individuals, the issue of entrusting legal power for someone else to act on their behalf (Power of Attorney or Representation Agreement in BC) is an uncomfortable one. People are naturally reluctant to entrust this level of power over their affairs to another individual, for fear that their destiny will potentially rest in someone else’s hands. This fear usually results in a reaction to delay the process of assigning a power of attorney altogether.

It is important to note that granting Power of Attorney does not take away the power to act on your own behalf. Rather, it serves to share this power with your attorney who can act for you should you become incapable of doing so yourself. It may be helpful to think of it as “personal decision insurance”, in that it serves as a measure of reasonable assurance that important decisions required on your behalf will be made, as you would wish them.

Most people acknowledge that a properly drafted Will is an important component of a prudent financial plan. A Will ensures that your wishes are acted upon in death. However, what you may not realize is that it is also important to consider making a provision, through power of attorney, for financial and personal decisions to be made on your behalf while you are still alive, yet incapable of making them yourself.

There are several forms that power of attorney can take. Some relate to decisions regarding your

assets and include a Limited Power of Attorney and a General Power of Attorney. A different type is called Power of Attorney for Personal Care that may grant your attorney decisional power regarding your medical treatment, health care, shelter, clothing, hygiene and safety should you become mentally incapacitated. Depending on your personal circumstances, you may wish to consider the merits of each type.

Regardless of the form of power of attorney you choose, it is imperative that you carefully select the party you designate to act in this regard. A designated power of attorney can be either: a trustworthy individual (i.e. friend or relative, preferably well versed in financial matters in the case of power of attorney for property), an accountant, a lawyer, or even a trust company. Whichever party you choose, you should ensure that you can depend on them to act with your best interests in mind.

### Next Issue: “Estate Planning Series Continues”

The information provided above is just one of the many ways you can provide a significant gift to your favourite charity. Please talk with a professional advisor to see what options are best for you.