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# [Understanding The Power Of Attorney](#)

The only way to keep up with the latest about Power Of Attorney is to constantly stay on the lookout for new information. If you read everything you find about Power Of Attorney, it won't take long for you to become an influential authority.

The power of attorney is providing a person or an organization the right to govern or handle your affairs especially if you are unavailable or unable to handle it for yourself. This document could cover simple financial matters like writing a check or even selling property.

When creating the power of attorney, it is for the best to check the laws of the state, since each state has its own regulation on how it should be made. Legal assistance or help from a lawyer is very important to make sure that necessary steps are performed to avoid the document being challenged.

The power is granted to an "attorney-in-fact" or "agent" that would have the authority to decide on different matters. The person who is granting the authority would, of course, identify the scope of the mandate. It could be the specific or the general power of attorney.

There is a specific power of attorney which requires the attorney-in-fact deal with only one particular issue. Specific issues would include bank transactions, debt collection, loan application, managing real estate property or businesses, making financial decisions and handling government financial or other concerns. Usually, this is given in a time when the principal is unavailable for a specific period of time like travel overseas, whether business or personal, and other commitments.

There is also a general power of attorney, which could refer to broader financial and personal matters. For example, it could be buying and selling real estate property, bank transactions with or without U.S. securities involved, getting into contracts, tax returns filing, and handling other matters which deal with benefits coming from the government.

Is everything making sense so far? If not, I'm sure that with just a little more reading, all the facts will fall into place.

Often, the principal would have two agents, one for the health care and the other for finance. A financial agent's concert would be centered on the financial condition and issues of the principal. While the health care agent would be overseeing the principal's medical decisions.

The attorney-in-fact or the agent does not have to be lawyer. H/she could be a relative, a daughter or son and even a trusted friend. When picking out an agent, make sure that the person would stand by the principal's beliefs since they would act on behalf of the person. Aside from that, the attorney-in-fact would have to keep sufficient and detailed records since the principal should have a copy of transactions made in h/her behalf.

There are situations when the attorney-in-fact could be challenged. The principal should be prepared in case the power of attorney is confronted. It would help to have a video document stating with the principal stating the power of attorney or have several witnesses present to testify that the principal is mentally and psychologically competent when the document was signed.

The power of attorney's termination is stated in the document. In addition to that, it could also end upon the death of the principal or when the principal, given that h/she is still competent, decided to destroy the document. The principal could also sign or create another document, duly notarized, stating the termination of the document. Often, the power of attorney states an alternate attorney-in-fact, in case the original is compromised or dies. But if no alternate is named, then the power of attorney is terminated.

For the principal, determining the agent or the attorney-in-fact should be done carefully. Since, abuse of the power of attorney could happen which is why it is important for the principal to have complete trust on the agent.

I hope that reading the above information was both enjoyable and educational for you. Your learning process should be ongoing--the more you understand about any subject, the more you will be able to share with others.

About the Author

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