

## What can a financial power of attorney do?

On your behalf, a financial power of attorney may have the authority to:

- Use your assets to pay your everyday expenses
- Buy, sell, maintain, pay taxes on and mortgage real estate and other property
- Transfer property to a trust you've already created
- Collect income
- Handle transactions with banks and other financial institutions
- Manage your retirement accounts
- Invest your money in stocks, bonds and mutual funds
- Buy and sell insurance policies and annuities
- File and pay your taxes
- Operate your small business
- Claim property you inherit or to which you are otherwise entitled
- Hire someone to represent you in court

**Your State and Local Long-Term Care Ombudsmen can be reached at:**

**866.236.1430**

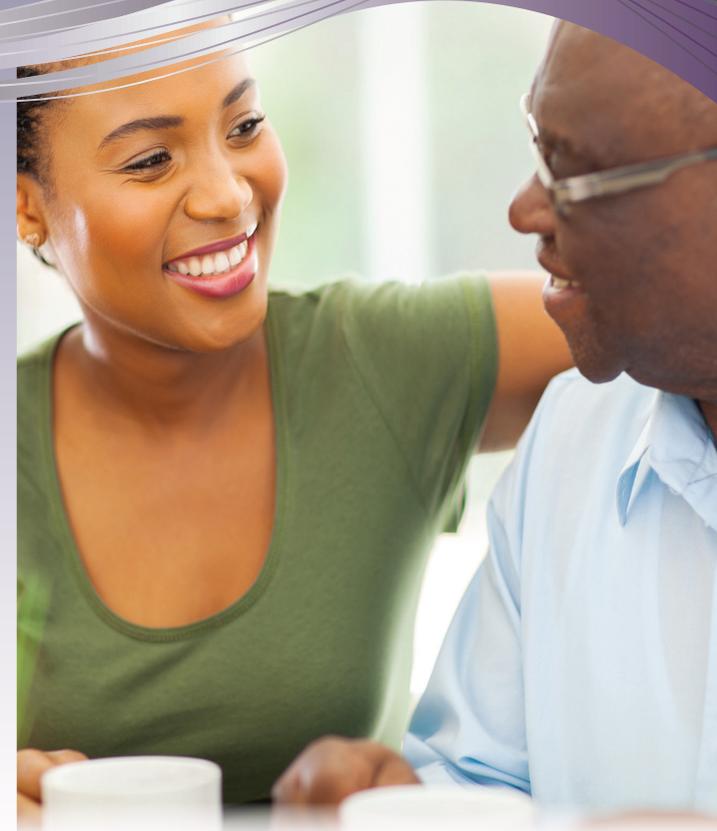


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# FINANCIAL Power of Attorney





## What is a financial power of attorney?

A financial power of attorney (FPOA) is a document authorizing someone else (**an agent**) to manage your finances on your behalf if you (**the principal**) become incapacitated and are unable to make financial management decisions for yourself.

Your FPOA can be a great blessing for your family. If you become unable to decide for yourself and you have not prepared a financial power of attorney, a court proceeding will likely be required before a loved one will be able to assume authority over at least some of your financial affairs.

Your FPOA can be drafted to go into effect as soon as you sign it or it can become effective at a later date or only in the case that a physician certifies that you have become incapacitated.

## Who should I choose to serve as my agent?

The agent is the person who will be managing your finances, so it is important to choose someone who will not abuse or exploit this power, will listen to and follow your wishes and will look out for your best interests. You may also designate a successor agent who can take over if your original agent is unable or unwilling to serve.

There are a variety of financial management actions an agent can be authorized to take on behalf of a principal, but you may pick and choose what authority you wish to grant to your agent. Above all, your agent is required:

- To act in your best interests;
- To act in good faith; and
- To act only within the scope and authority granted in the power of attorney.

## How do I enact or revoke a financial power of attorney?

To create a legally valid FPOA, all you need to do is properly complete and sign a fill-in-the-blanks form in front of a notary public. The person named as your agent and any person named as a successor agent should receive a copy. It is also wise to share a copy with your financial institution(s) and, if your agent will have authority to deal with your real estate, you must file a copy of the document at the office of the county recorder where the property is located.

Iowa law permits you to revoke a financial power of attorney as long as you are mentally competent. The revocation should be communicated to the agent(s) named in the document and any financial institutions.

Iowa law also permits the court to review the actions of your agent if wrongdoing is suspected. An agent found to have violated their responsibilities may be ordered to pay the amount required to restore your property and may also be ordered to pay the attorney's fees and costs paid on your behalf.

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