

# Legal Matters - Power of Attorney

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A person can issue a letter to another person authorizing him to act in business or legal matters on his behalf and this is called a letter of attorney, or power of attorney in common law. The person who is issuing the power of attorney is known as principal and the person who acts on behalf of the principal is known as attorney-in-fact or agent. The attorney-in-fact is authorized to sign documents in the name of the principal.

When a person is incapacitated because of some ailment and could not sign a cheque, that person can request another person to do so through oral instructions. Institutions such as banks, hospitals, IRS in the US insist on a power of attorney in writing to honour the instructions and they normally take up the original letter with them for their records.

The signature of the principal in a power of attorney should be notarized to get a legal status similar to the case of signatures in any deed in normal circumstances which are notarized. This process is known as "equal dignity rule". For more info visit [www.need-an-attorney-now.info](http://www.need-an-attorney-now.info)

The scope of the power of attorney can be defined in the letter itself. It can be a limited power of attorney to carry out specific acts or it can be a broad or general power of attorney to carry out any and all acts on behalf of the principal. A court will interpret the scope of power of attorney, exactly as described in the letter. A time limit can be set to a power of attorney.

Upon the death of the principal, the power of attorney becomes invalid. It also becomes invalid when the principal becomes incapacitated due to mental illness or physical injury unless a provision is made in the original power of attorney specifically exempting such provisions. This type of "durable power of attorney" or "living will" enables the agent to make decisions regarding the health care of the principal in case it is needed.

In a "springing power of attorney", the power granted becomes valid only when specific acts described in the letter takes place – such as illness, which incapacitates the principal – in the future. Due to the privacy legislation in US, doctors will not provide medical history or related information regarding the capacity of the principal unless specific authorisation is given in the power of attorney.

The principal of a power of attorney can revoke the powers granted by informing the attorney-in-fact that it is revoked.

A template for various kinds of power of attorney with standardized forms are available for use and various organizations also provide the same to their customers, patients, clients, members or employees. Lucy Bartlett is a proud contributing author. Find more articles here. For more info visit [Lawsuit Resource](http://Lawsuit Resource) or [Power of Attorney](http://Power of Attorney)