

The difference between a General Power of Attorney and an Enduring Power of Attorney?

A Power of Attorney is a legal document that lets you appoint one or more persons to make financial and legal decisions for you.

A General Power of Attorney is often used for a specific purpose and for a limited period of time. For example, you may appoint an Attorney under a General Power of Attorney to sign documents for the sale or purchase of a property or you may be overseas and want someone to take care of your finances.

In Victoria there are three types of Enduring Powers of Attorney:

- Enduring Power of Guardianship – you appoint a guardian to make lifestyle decisions for you such as your health, welfare and where you will live;
- Enduring Power of Attorney (financial) – you appoint an attorney to make decisions regarding your financial affairs such as paying bills, banking and property matters;
- Enduring Power of Attorney (Medical Treatment) – you appoint an agent to make decisions about medical treatment or medical and surgical procedures.

The difference between a General Power of Attorney and an Enduring Power of Attorney is that a General Power of Attorney will become invalid if you lose mental capacity to make decisions.

You may lose capacity through accident or illness. An Enduring Power of Attorney will continue to be valid even if you become of unsound mind.

As powers of attorney are important legal documents that give another person power over your affairs, it is important the "correct" person is chosen and you trust this person implicitly. All powers of attorney can be revoked at any time by you provided you are of sound mind. It is best to advise your attorney of any revocation in writing.

Both General Powers of Attorney and Enduring Powers of Attorney will cease to be valid upon your death as the duty to manage your estate on your death will pass to the executor or administrator of your estate.

This article is of a general in nature and may not apply to your specific situation. For more detailed Wills & Estates law advice please contact the team at Lyttletons Lawyers on **(03) 8555 3865**.

Please note Lyttletons Lawyers' new address is 2/128 Centre Dandenong Road.

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