

Giving Other People Authority to Help You Manage Your Affairs

Information for seniors



This is one of a series of information sheets for seniors. The others are :

- ▲ *Abuse and Neglect of Seniors — Is it a Crime?*
- ▲ *Reporting Crimes to the Police and What Happens When You Make A Report*
- ▲ *Abuse and Neglect of Seniors and the Criminal Justice System*
- ▲ *Where to Get Legal Help*
- ▲ *Reporting Abuse & Neglect Under Part 3 Adult Guardianship Act*

The world seems to be getting more complicated, especially when there are bills to pay and forms to be filled out. Many of us worry about how we would manage our affairs if we became sick or disabled.

There are formal and informal ways to give someone permission to help us manage our financial affairs. For instance, you might begin by talking to your bank, credit union or trust company about what services they can offer to pay bills. Or, ask a friend or family member to help you. They may be able to provide all the help you need.

If you decide to take a more formal step, this information sheet outlines some common options. All of them can be helpful but, in the wrong hands, they can also be harmful. Do some research by following up with the resources listed at the end of this sheet. Ask questions. Explain what your needs are and get advice from more than one person.

Joint bank accounts. Most seniors have their pension cheques deposited to their bank account and then

pay bills from that account every month. Someone who is helping you to manage your money may suggest putting your bank account in joint names. If you decide to do this, be sure to choose someone you trust because both of you will then be able to access your money to pay bills and withdraw funds. There are also some other complications as described in the following paragraph about joint ownership.

Joint ownership of assets. Seniors who are putting their affairs in order often consider putting their assets in joint ownership to avoid the need to probate the estate and pay probate fees at the time of death. But, there can be problems. For instance, if you make your son a joint owner of your home, you may lose the freedom to do what you want with your property. Also, ownership of your home will pass to him when you die. A jointly owned asset usually does not become part of your estate to be divided according to the terms of your will. If you have other children or beneficiaries, this may not be what you want.

There are other potential problems and complications to joint ownership that need to be thoroughly



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explored. Before making this decision, talk to someone where you bank about the pros and cons of joint accounts and consult a lawyer or notary about the legal implications of jointly owned property.

Power of attorney. You can give another person, or a business like a trust company, the authority to manage your financial or business affairs with a power of attorney. This authority can be:

- ▲ **specific**, for example, only to do banking or cash pension cheques; or
- ▲ **general**, which means you are giving the person or business the power and responsibility to conduct all of your business and financial affairs.

Ask your attorney to keep records. Your attorney is acting as your agent and should be consulting with you or reporting to you about actions taken on your behalf.

Representation agreement. Unlike a power of attorney, a representation agreement covers personal and health care decision-making as well as management of financial affairs. You may make a representation agreement with:

- ▲ **standard powers** that allows your representative to handle routine finances for you like banking, paying bills as well as making some health and personal care decisions if you are no longer able to do so.
- ▲ **additional powers** that give your representative the authority to buy and sell real estate for you, run your business or make some very serious health decisions like refusing life support and treatment.

The representative must consult with you before making decisions on your behalf, act honestly and keep records. You can also appoint a monitor to make sure that your representative is doing a good job on your behalf.

You are not giving up your right to make your own decisions or manage your own affairs when you make a representation agreement or power of attorney and can change or cancel these documents at any time as long as you are mentally capable of making that decision.

RESOURCES (See also the Information Sheet *Where to Get Legal Help* for more information about these and other resources)

- ▲ **BC CEAS** – for legal information and referral, call 604-437-1940 or toll free 1-866-437-1940; check our website at www.bcceas.ca
- ▲ **Dial-A-Law** – has taped messages about the law that you can listen to on the phone: 604-687-4680 or toll free 1-800-565-5297
- ▲ **Lawyer Referral Service** – will arrange a 30-minute consultation with a lawyer for \$25. Phone 604-687-3221 or toll free 1-800-663-1919
- ▲ **People's Law School** – check their website for publications about power of attorney and other related issues: www.publiclegaled.bc.ca
- ▲ **Public Guardian and Trustee of BC** – information and help for people unable to manage their own affairs and investigation of complaints about representatives and attorneys: 604-660-4444. Look for their publication: *How You Can Help People Manage Finances and Legal Matters When They Cannot Manage On Their Own* on their website at www.trustee.bc.ca.
- ▲ **Representation Agreement Resource Centre** – Phone 604-408-7414; look for information about representation agreements on their website at www.rarc.ca