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What if I Can't Look After My Affairs?

Clarke owned a small business that employed three other people besides him. He had sole signing authority on his business bank account, and personally had a joint mortgage on his home with his wife, Lois. His car was registered in his name only. Clarke was generous with gifts on special occasions and holidays for his children and his wife, and supported several charities on a regular basis.

Tragically, Clarke was involved as a passenger in a serious car wreck and suffered a brain injury. He was not able to look after his own financial affairs for almost a year. His business had to be taken care of, his mortgage term had to be renewed, his vehicle registration and insurance needed renewing, birthdays and holidays came and went, and charities relied on his support.

Fortunately, Clarke had his lawyer prepare an Enduring Power of Attorney to deal with such an event. Also known as a Springing Power of Attorney, no powers were granted to his attorney until it was certified by two medical doctors that he was no longer able to manage his financial affairs. Clarke had named Lois as his attorney.

Lois was given the power to keep the business running and access its bank account to meet payroll and pay suppliers. She was able to renew their mortgage when it came due and renew the registration and insurance on his car. Lois was able to carry out Clarke's wishes of buying birthday gifts for their children and making donations to his favorite charities from his bank account. It also made it easier for her to file the claim for the monthly benefits from his disability insurance policy.

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Katie was terminally ill and no longer lucid. Decisions needed to be made on her behalf regarding her medical care. She had a Power of Attorney that dealt with her health care decisions. As she did not want her financial institutions to know about her health care decisions, she had a separate Power of Attorney to deal with her financial affairs.

A Power of Attorney for health care decisions is generally limited to making decisions to proceed with life extending treatments, or whether or not to continue life support. Katie had discussed this at length with her doctor and lawyer before preparing the document. A Power of Attorney for health care decisions may be known by a different name depending on province of residence.

For informational purposes only and not intended to provide specific legal advice. It is strongly recommended that you use a professional for the preparation of these legal documents.

Contact our office [1] if you have questions about planning your estate.

**Fictional characters for illustrative purposes only.*

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