



OFFICE OF THE STAFF JUDGE ADVOCATE
101ST AIRBORNE DIVISION (AIR ASSAULT) AND FORT CAMPBELL
CLIENT SERVICES
(270) 798-4432



POWER OF ATTORNEY FACT SHEET

INTRODUCTION: A Power of Attorney (POA) is a written instrument that allows you (the “principal”) to authorize your agent (the “attorney-in-fact”) to conduct certain business on your behalf. It is one of the strongest legal documents that you can give to another person. There are two types of POA: “general” and “special”. A general POA gives your agent very broad powers to act on your behalf, whereas a special POA limits your agent’s authority to act only on certain matters. Every act performed by your agent within the authority of the POA is legally binding upon you. Since a POA is such a powerful document, it should be given only to a trustworthy person and only when absolutely necessary.

GENERAL POA (GPOA): A General POA gives your agent the authority to do most things you could do yourself, such as write checks and pay bills, borrow money, and sign contracts in your name. Your agent cannot perform certain actions which require your personal attention, such as taking an oath. General POA’s may not be accepted for the performance of certain acts, such as cashing Government checks, or conducting real estate transactions.

SPECIAL POA: A special, or limited, POA authorizes your agent to do only a specified act, such as sell your car, ship your household goods, or cash your paycheck. Some acts may only be accomplished with a special POA. For example, authorizing someone to buy or sell real estate in your name requires a special POA, which describes in great detail the property and the specific acts to be done by your agent. Since it is limited in scope, a Special POA (SPOA) is preferable to a GPOA, if it will suffice. Please see our quick reference below to help you select a suitable POA.

SPECIAL POA, “IN LOCO PARENTIS”: This type of special POA grants parental authority to another (such as a babysitter) to perform a range of functions which can include picking up a child from school, buying food and clothing, and consenting to medical treatment of the child in the event of illness or injury. Without this type of special POA, a day care center, school, store, hospital or clinic may refuse to follow the directives of the babysitter or other agent. This POA will assist the agent in the daily business of looking after the child, avoid unnecessary delays in emergencies, and provide legal protection for the facility and for the agent who might otherwise fear taking action on behalf of the child.

KEY CONSIDERATIONS

- ✓ A POA normally is void if the principal becomes physically or mentally incapacitated. However, appropriate durability language may be added to the POA which will ensure that it remains valid during any period of incapacity.
- ✓ A POA becomes void upon the death of the principal or the agent, when revoked, or on the expiration date specified.
- ✓ Any third party (business, bank, etc.) has the right to refuse to accept a POA. Check with the third party before obtaining a POA to ensure it will be accepted.
- ✓ A POA should be given for only a limited time period. A third party is more likely to accept a POA with a recent date than one which is many months or years old.

✓ Many financial institutions and other businesses have their own POA's which they prefer to be used to conduct business. It is a good idea to show your POA to all known third parties who may be dealing with your named attorney-in-fact to ensure that your POA is acceptable to them.

✓ Never give a general POA when a special POA will accomplish the mission. There is less opportunity for abuse when only limited powers are given.

✓ You may revoke a POA before its expiration date by executing a revocation of the POA. Notice of the revocation must be delivered to the attorney-in-fact, as well as to all third parties who you know relied on the POA. If possible, recover from the attorney-in-fact and destroy the original and all copies of the POA. Even though the POA has been revoked, you may be responsible to any third party who did not receive notice of the revocation.

QUICK REFERENCE:

<u>Is the transaction is possible with a:</u>	<u>GPOA</u>	<u>SPOA</u>
Account Closure	Yes	Yes
Account Opening	No	No
ATM card & PIN Order; Pick-up of captured Cards	Yes	Yes
Cash Withdrawals from single Accounts	Yes	Yes
Change of Account Status - single to joint	No	Yes
Establishment of Loan or Overdraft Protection	No ¹	Yes
Establishment of Line of Credit	No	No
Access of Overdraft Protection/Line of Credit Funds	No ¹	Yes
SPO Changes or Cancellations	Yes	Yes
Travelers Cheques Encashment	No	No
US Savings Bonds Redemption	No	No
US Treasury Check (IRS Tax Refund Check)	Yes	Yes
State Income Tax Refund Check	Yes	Yes
H & R Block Tax Refund Checks	Yes ²	Yes ²
Complete an Allotment form on behalf of Payee	No	Yes ³
Complete a SF 1199a (Direct Deposit form on behalf of Payee)	No	No

¹Yes, if loan clause is included or "access to lines of credit" or "access to overdraft/line of credit funds".
²Only with standard "Tax Clause". ³Only with "Authority to Establish, Change or Stop Allotment" clause.

Hours: 0900-1630 Monday thru Wednesday; Thursday 1300-1630; Friday 0900-1500. Closed for lunch.

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