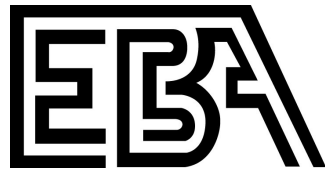


**ATTORNEY IN FACT
INSTRUCTIONS
AND
ACCOUNTING RECORDS**



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Probate, Elder Law and Guardianship Section
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**The attached instructions and accounting sheets are provided
to assist you with your responsibilities as attorney in fact.**

***Nothing in this brochure is intended as legal advice or as a substitute for
legal consultation. If legal or other expert advice is required, you should
consult with your attorney or other professional.***

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GUIDELINES FOR ATTORNEYS IN FACT

You have been granted power of attorney by an individual, “grantor”, who trusts you to serve in a “fiduciary” capacity. As an attorney in fact, you must act for the benefit of the individual who appointed you, in complete good faith and candor. You generally are to act prudently, as you would in your own business affairs of the highest importance, rather than incurring high risks. You can become personally liable for breaches of fiduciary duty. Consider the following Guidelines of “**DOs**” and “**DON'Ts**” your guiding principles:

Your actions are not supervised by any Court. However, the grantor, a successor attorney in fact, or the grantor’s heirs may request that you give an accounting of your activities. You must provide a complete accounting within sixty days of when you receive a request.

All income and expenses should be deposited in or drawn from a checking account in the name of the grantor with the grantor’s social security number. Photocopy all checks deposited to the grantor’s checking account and attach the copies to a copy of the deposit slip. This will greatly assist you in preparing an accounting should one be required.

Keep all cancelled checks and receipts. You may have to repay any money you spend without a receipt.

The grantor of a power of attorney does not give up the right to make financial decisions or to exercise any of the powers granted to you. As the result it is important to coordinate your activities with the grantor. The grantor may have appointed you so that you will be in position to help with financial matters should the grantor become incapacitated in the future. In that case, you may not have to do anything with regard to the power of attorney until some time in the future. You should request guidance from the grantor so that you understand the grantor’s current needs and so that the grantor can let you know where assets and important documents are located for future reference.

You do not have to accept the responsibility of attorney in fact. If you decline to act on the power of attorney, you should let the grantor and the successor attorney in fact know your decision.

IF YOU DECIDE TO ACCEPT THE RESPONSIBILITY OF ATTORNEY IN FACT

Things to Do:

1. Identify all assets immediately. Their safekeeping is your responsibility. Locate, collect and maintain all property owned by the grantor. If necessary, fill out a change of address form with the Post Office immediately so the grantor's mail will be forwarded to you.
2. Assure that all real estate holdings and motor vehicles are adequately insured. Consult with the grantor's insurance agent to assure appropriate coverage.
3. If the grantor has stock or bond holdings or other investments, you should consult a professional for investment advice, as you will be responsible for the supervision of the portfolio and required to maintain prudent investments.
4. Ascertain all legal debts of the grantor. A review of the grantor's checkbook and business records should greatly assist you. Consult an attorney if you have questions about what to pay.
5. File all necessary income tax returns each year. You may retain an accountant to prepare taxes and will need to provide the accountant with the necessary information for tax return preparation.
6. Protect and preserve the grantor's assets, pay the grantor's legal debts and taxes.
7. You are entitled to a reasonable fee for the services that you render as attorney in fact, unless you waive the fee or the power of attorney indicates that no fee is to be charged. If you charge a fee, you must keep an accurate ledger of the time you have expended on the grantor's affairs in order to be compensated, as well as receipts for your out-of-pocket expenses. You will need records to be able to justify and defend your fee. No fee is to be taken by you as attorney in fact until you provide a statement to the grantor.
8. Promptly record all transactions in connection with affairs of the grantor's estate. This continuous record will simplify the preparation of an accounting if one is requested. If you use Quicken, QuickBooks, Microsoft Money or a similar product, you may want to open a separate file for tracking the grantor's finances, so as to simplify reporting. An accountant can assist with the appropriate income and expense categories for a fiduciary account.

Things Not To Do:

1. **Never** co-mingle or mix the grantor's assets or income with your personal or business property. The grantor's funds should never be co-mingled with your personal funds. This would be a breach of your fiduciary duty, and may cause you to incur personal liability.
2. **Never** use the grantor's funds other than for the payment of the grantor's legal debts and obligations. Unauthorized use of the grantor's funds will result in personal liability.
3. **Never** self-deal in any manner, unless specifically authorized in the Power of Attorney – that means do not buy anything from the grantor, sell anything to the grantor, borrow any funds from the grantor, or the like. Such actions may result in personal liability.
4. **Never** pay with cash without obtaining a receipt.

**YOU ARE CHARGED WITH A DUTY OF FAITHFULLY
ADMINISTERING AND ACCOUNTING
FOR ALL ASSETS IN THE GRANTOR'S ESTATE; IF YOU HAVE
ANY QUESTIONS WHATSOEVER,
CONTACT AN ATTORNEY FOR ADVICE.**

CHECKLIST OF GRANTOR'S ASSETS

If you assume responsibility for the grantor's affairs, you should gather the following documents. If you are not assuming responsibility for the grantor's affairs at this time, you should determine the location of the following documents for future reference.

Real Estate

- All deeds, abstracts, certificates of title, and title policies
- Contracts for deed (land contracts)
- Mortgages and deeds of trust
- Leases
- Current year's tax statements
- Partnership agreements relating to real property interests

Securities

- Stock and bond certificates
- Mutual fund statements
- Brokerage house statements

Bank Accounts and Cash

- Amount and location of cash
- Uncashed checks on which grantor's name appears
- All checkbooks, bank books, certificates, and other evidence of deposits with financial institutions
- Promissory notes

Life Insurance

- All policies on grantor's life
- All policies owned by grantor on the lives of others

Miscellaneous Assets

- Business interests in sole proprietorships
- Partnership agreements
- Trust instruments and information on any pending estate or trust which grantor has an interest.
- Description of tangible personal property and its value
- Accounts receivable
- Certificates of ownership in motor vehicles, boats, and recreational vehicles
- Fraternal lodge benefits or union benefits
- Employee benefits, i.e. IRA, Keogh, Profit Sharing, 401K, etc.
- Annuities
- Safety Deposit Box Numbers and Keys

Other Items

- Copies of grantor's income tax returns for last three years preceding guardianship
- Any gift tax returns filed by grantor
- List of grantor's debts at date of establishment of guardianship
- Birth certificate
- Marriage certificate and/or divorce decree
- Military records (Branch of service, ID, dates of service)
- Passport/Citizenship Papers
- Advance Directives, Living Wills, Organ Donor Card
- Burial arrangements and Cemetery Information

