



**Wealth  
Management**

# Corporate Power of Attorney

The value of appointing a corporate power of attorney

Many people feel overwhelmed by the thought of being responsible for managing the financial affairs of a loved one.

What does it mean to be an attorney for property?

Acting as an attorney\* (under a Power of Attorney) is a tremendous responsibility and one that should not be given — or taken on — without careful consideration. An attorney's overall responsibility is to act honestly, in good faith and exclusively for the benefit of the individual appointing the attorney (known as the donor\*).

Attorneys can face responsibilities that demand a great deal of time, energy and attention to detail. In addition, the government's increased interest in regulating an attorney's activities has resulted in more complex tasks for attorneys. We understand that these necessary administrative tasks are probably not where you want to spend your time, especially if you are also caring for a loved one.

## Typical duties of an attorney

Depending on your province or territory of residence, the responsibilities of an attorney may include:

- Consulting and communicating with the donor as well as the donor's family
- Managing and safeguarding the assets
- Keeping detailed records of all transactions involving the donor's property, and ensuring tax returns are filed
- Working with the attorney for personal/health care to ensure the donor has the necessary financial resources
- Making expenditures on the donor's behalf for their support and care, and for the support and care of any of their dependants

## Considerations when choosing an attorney for property

Many people feel overwhelmed by the thought of being responsible for managing the financial affairs of a loved one. This is one of many circumstances where the services of a professional, such as a trust company, can provide valuable support, including for the following issues.

**Complex family dynamics** – Acting as an attorney can often create family conflict or renew existing family discord. An attorney may feel pressure from other family members or friends to act in a way that may not be consistent with what the donor would have wanted.

As attorney, you need to communicate openly with the donor and the donor's family and balance potentially conflicting interests. An unbiased third party can often be an invaluable resource in managing those tensions.

**Time constraints** – Many attorneys are unaware of how much time managing someone else's finances requires. In some cases, an attorney's tasks span several years, and the level of care needed may escalate over time. People with busy lives and competing time pressures of children, a career and caring for aging parents are often challenged to carry out their attorney duties in a timely manner.

**Lack of expertise** – As attorney, you might feel that you lack the professional skills needed to handle some of the more technical aspects of the job such as record-keeping, managing investments and ensuring tax returns are filed.

**Living outside the province or country** – It is challenging to act as an attorney from a distance. If you live in a different jurisdiction than the donor, there may be additional risks due to the legal, logistical and administrative complexities in managing the donor's affairs from afar. You may also be impacted personally or professionally, particularly if you are also providing or arranging personal health care for the donor.

**Personal Liability** – As attorney, you can be held personally liable by the donor or the executor of the donor's estate if any of your actions as attorney come into question or are inadequately documented.

### If you are considering naming someone as your power of attorney – we can help

Our estate and trust professionals are skilled in the intricacies of acting as attorney from both an emotional and technical perspective. We are sensitive to the complexities of your unique family dynamics, and approach each situation with compassion and professionalism to make the process as easy on you as possible.



### When our corporate Power of Attorney services may be right for you

- You want to ease the burden on your friends and family
- You prefer that a professional handles everything
- You have no family or friends to act as attorney
- You anticipate a challenging family situation

### Fees

Fees associated with our power of attorney services are based on the assumption of the duties and responsibilities noted above and on the delivery of the tasks defined in the Attorney for property duties checklist set out below. Fees are calculated as a percentage of the total asset size of the account. Our services may or may not include combined investment management. For fiduciary services only (i.e. Power of Attorney services without Investment Management), fees range from 0.35% to 0.85%. Investment management fees are in addition to our fiduciary fees and may vary depending on the fees charged by the investment management firm.

A set-up fee may also be applicable for assets held outside of RBC. Assets held within RBC are subject to applicable discounts. Fees are only charged at the time the power of attorney appointment is activated and after the majority of assets have been collected.

For more information, speak with an RBC® advisor, call us at 1-855-833-6511 or visit our website at [rbc.com/estateandtrustservices](http://rbc.com/estateandtrustservices).

# Attorney for property duties checklist

The following checklist summarizes the range of tasks that may be involved in assuming attorney\* duties (under a Power of Attorney) for a donor. The extent to which these duties should be performed by the attorney will depend on the circumstances of the donor, and as such, not all may be applicable. If the donor is capable, the attorney should follow the instructions of the donor as to which tasks should be completed on their behalf.

If you have questions about any of the duties listed or want more information about how you can get help from an RBC Estate & Trust professional, please call 1-855-833-6511.

Task	Complete
Preliminary steps	
1. Obtain a copy of the Power of Attorney document(s)	<input type="checkbox"/>
2. Verify that the Power of Attorney document(s) is the most recent one signed by the donor	<input type="checkbox"/>
3. Ensure that any and all preconditions for acting as the attorney have been met	<input type="checkbox"/>
4. Confirm if others have been named to act as attorney and in what capacity	<input type="checkbox"/>
5. Confirm that the Power of Attorney authorizes acting in respect of all or only some of the donor's property/assets, and whether there are any other restrictions that apply (e.g. the Power of Attorney can only be used during a specified period of time)	<input type="checkbox"/>
6. Obtain copies of any management plans or court orders related to the Power of Attorney	<input type="checkbox"/>
7. Locate and review the donor's Will, and document any specific instructions concerning property and bequests	<input type="checkbox"/>
8. Discuss the Power of Attorney document, and duties and authority as attorney, with the donor (if possible)	<input type="checkbox"/>
9. Review the donor's personal records and contacts, and establish a system for ensuring the organization and protection of this information and actions	<input type="checkbox"/>
10. Consult with the person acting as attorney for personal/health care regarding the health care, safety and shelter of the donor; obtain a written description of decisions made and make all necessary financial arrangements	<input type="checkbox"/>
11. If there is no named attorney for personal/health care, obtain legal advice regarding the donor's current circumstances	<input type="checkbox"/>
12. Notify personal attendants, housekeepers, gardeners and other staff of our role as attorney, and advise as required	<input type="checkbox"/>
13. Establish relationships with the close family, friends and other key caregivers of the donor	<input type="checkbox"/>
Initial tasks	
14. Create a complete list of the donor's assets and liabilities/debts including any digital assets such as social media accounts and passwords as of the date of your first action	<input type="checkbox"/>
15. Locate all original investment certificates, stocks, bonds, property deeds, etc., and document them	<input type="checkbox"/>
16. Identify and document all other personal assets, and arrange for a market valuation	<input type="checkbox"/>
17. Check the Bank of Canada website for unclaimed balances in the donor's name	<input type="checkbox"/>
Safeguard assets	
18. Notify all banks, brokers and financial institutions the donor has business with that we are acting as the donor's attorney; confirm whether the donor created any other Power of Attorney documents with them, and redirect statements if necessary	<input type="checkbox"/>
19. Review the suitability of the donor's investment portfolio and any surplus cash, making any necessary and allowable adjustments to meet the donor's current and future needs; monitor the investment portfolio on a regular basis	<input type="checkbox"/>
20. Notify appropriate institutions and redirect annuities, pensions and registered funds	<input type="checkbox"/>
21. Notify the appropriate authorities and redirect all sources of income including CPP/QPP, OAS, Veteran's Pension Payments and GST/HST credits	<input type="checkbox"/>

Task	Complete
Safeguard assets (continued)	
22. Apply for any pensions or other payments to which the donor may be entitled	<input type="checkbox"/>
23. Notify insurance companies or other institutions regarding auto, home, disability or life insurance that we are acting as the donor's attorney, and redirect statements if necessary	<input type="checkbox"/>
24. Ensure adequate insurance for the assets and upkeep of the property	<input type="checkbox"/>
25. Cancel auto registration and insurance, if applicable, and collect any refunds	<input type="checkbox"/>
26. Set up disability insurance payments if required	<input type="checkbox"/>
27. Cancel the donor's debit and credit card(s)	<input type="checkbox"/>
28. Arrange for the sale of assets (including real property) if required (subject to the terms of the Will)	<input type="checkbox"/>
29. Arrange for the sale of household goods and personal effects to the named beneficiaries if required (subject to the terms of the Will)	<input type="checkbox"/>
30. Cancel memberships and other subscriptions if required	<input type="checkbox"/>
Prioritize expenditures	
31. Create a monthly budget consisting of all income expected and payments required to ensure the donor's immediate and ongoing financial needs can be met	<input type="checkbox"/>
32. Pay all expenses as required	<input type="checkbox"/>
33. Arrange for the payment of debts with any surplus cash (pay by cheque and have cheques returned)	<input type="checkbox"/>
Taxes	
34. Notify Canada Revenue Agency, provide them with a copy of the Power of Attorney document and request a statement of account showing all outstanding taxes, refunds and instalments paid up to the current date	<input type="checkbox"/>
35. File any outstanding and ongoing tax returns and pay all income taxes owing	<input type="checkbox"/>
36. Collect tax slips, medical and donation receipts as required	<input type="checkbox"/>
37. Determine whether the donor is subject to any foreign tax jurisdictions (e.g. if the donor is a U.S. citizen) and determine how to address the situation (seek tax and legal advice as necessary)	<input type="checkbox"/>
Keep meticulous records	
38. Establish an ongoing list of acquisitions and dispositions made on the donor's behalf (e.g. money received, investments made, liabilities incurred or discharged), obtaining and retaining receipts for all transactions	<input type="checkbox"/>
39. Investigate and record all debts owed by the donor	<input type="checkbox"/>
40. Document any compensation (including assets used in calculation) taken for attorney duties	<input type="checkbox"/>

\* In most jurisdictions across Canada, the person who sets up the Power of Attorney is known as the "donor" and the individual chosen to act on the donor's behalf is called the "attorney." We have used the terms "Power of Attorney for property" and "Power of Attorney for personal/health care." Depending on the province/territory, the term used to describe a Power of Attorney document for property that can be used during the donor's incapacity may vary. Some provinces/territories may refer to it as a "continuing" or "enduring" Power of Attorney. In Quebec, it is referred to as a "Protection mandate." Please check with your jurisdiction's legislation for the appropriate term.

For information or questions related to Powers of Attorney for personal/health care, please contact your legal counsel.

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